PUBLISHED IN LONDON AND FRANKFURT

Friday September 21 1979

The large order was passed on to the Far Eastern markets.

Selling intensified and the rate

fell when dealers failed to see

any evidence of the centrale bank support to which they have

**Standards** 

for bankers

quirements for the directors and managers of recognised banks

and licensed deposit-taking in-

stitutions have been appelled

out by the Bank of England.

community.

By Michael Lafferty, Banking



CONTINENTAL SELLING PRICES: AUSTRIA Sch. 157, BELGIUM Fr 25; DENMARK Kr 4.25; FRANCE Fr 3.5; GERMANY DM 2.0; ITALY L 700; NETHERLANDS FI 2.0; NORWAY Kr 4.25; PORTUGAL Eso 35; SPAIN Pts 60; SWEDEN Kr 3.75; SWITZERLAND Fr 2.0; EIRE 200

#### GENERAL

## Army call for **Ulster** supremo

Senior British Army officers, worried by a deterioration of security in Ulster and the increasing number of soldiers killed there, are pressing for the appointment of a supremo in the Province with overall responsibility for security.

The officers would also like the Army to carry out some of the functions now undertaken by the police. They believe that if security Is not improved soon there is a danger of militant Protestants taking matters into their own hands and attacking Catholics. But Ulster Secretary of State Humphrey Atkins appears cool to the idea of a supremo. although the officers believe they have the ear of the Prime Minister. Back Page.

Russia-Egypt deal Russia has resumed supplying military equipment to Egypt in an apparent shift in its Middle East policy. Replacement engines have been provided for Egypt's ageing fleet of MiG-21 fighters and for Soviet-built M18 helicopters and a number of army lorries have been supplied.

#### 'No cash' warning

Environment Secretary Michael Heseltine warned local authority leaders that there would be "no more cash" to finance continuing increases in council spending. Because of increases in staffing levels, he would be askinc local authorities to publish quarterly manpower figures.

#### Benefits rise

The Government announced inand rate rebates and rent for people in jobs. measures are intended to correct the situation in which some people, because of social security off when unemployed. Page 6

#### QE-2 alert

QE-2 from Southampton after two revolvers and about 100 rounds of ammunition were reported missing from a security before the ship left for New York via Cherbourg

#### Report for DPP

Director of Public Prosecutions a report in The Guardian news-paper about the vesting potential urors at the trial of six alleged anarchists. He described the report as "an outrageous intrusion into the case."

#### Dino escapes

Orestes Babouris, 17, the youth known as Dino who evaded a police hum for six days last month, escaped from a cell at a Lowestoft court where he was appearing on two charges. His freedom was brief. He gave himself up peacefully to two policemen a few hours later.

#### Few Euro-voters

Fewer than one in four voters were estimated to have turned out in South-West London for Britain's first European Parlia-ment by-election. Results of the poll-caused by the disqualification of the Conservative victor for a technical infringementwill be declared today.

#### Briefly . . .

The Pope ordered an inquiry into complaints by Vatican employees about low wages Turkish Deputy Premier Parak Sukan resigned from th eCabinet, saying that the Ecevit Government could not lead the rountry out of its crisis.

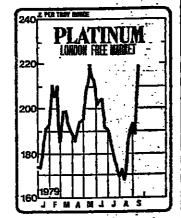
#### BUSINESS

### **Precious** metals touch records

 PRECIOUS METALS touched record levels yesterday. GOLD surged ahead in active afternoon trading to close \$13.50 up in London at \$385.50.

SILVER rose early by over 100p to a new peak of 360p on the London Metal Exchange. Prices then eased in nervous trading before rallying to close nearly 80p higher at 775p.

• Free market PLATINUM which has been lagging behind gold and silver, rose sharply by \$30 to a record \$472.50 an



onnce. The sterling price gained £12.05 to £218.50 — just below May's record level. Commodities

DOLLAR fell sharply, and its trade-weighted index dripped to 84.0 from 85.0. STERLING closed 1 cents up at \$2.1610. Its index eased to 68.1 (§8.2).

O EQUITIES were unselled on BI lears of a firm of the first of the fir to close at 458.1.

• GILTS were nervous and the Government Securities index

with extra benefits . WALL STREET was 40.1

 DEUTSCHE MARK bonds worth DM 1,32m have been and other benefits, are better floated in the eurobond market during the past four weeksthe highest figure since last autumn. Eurobonds, Page 26

Detectives sailed with the liner . BANK OF ITALY has appointed Dr. Carlo Ciampi succeed Dr. Usolo Baffi as governor. He will take over on October 8 after the IMF annual meeting in Belgrade. Page 2

• LLOYD'S of London has formed a special company to provide emergency management Old Bailey Judge Alan King-services for underwriting agen-Hamilton is to refer to the cies whose syndicates run into

trouble. Back Page O BRITAIN came under strong pressure from EEC Energy Ministers to increase its proposed North Sea all production levels between now and 1985 to enable other EEC Governments to restrain their imports.

Back Page • CAPITAL spending by manufacturing industry fell to £930m between April and June-2 per cent less than the previous quarter. Page 6

• WILKINSON MATCH directors have voted Mr. Denys Randolph out of his position as chairman after he refused a £210,000 offer to leave the board. Mr. Randolph remains a director.

#### COMPANIES

• GRN. the motor component, distribution and engineering group, reports a rise in first-half 1979 profits from £42m to £53.5m, but warns that thirdquarter profits will be hit by the engineers' dispute. Page 20 and

• DELTA METAL lifted pre-tax profits to £14m in the first six months to June 30, 1979, against £12.9m in the same period last year. Page 21 and Lex

.....1155 - 20

Zetters .....

## Dollar falls sharply to below DM 1.80

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

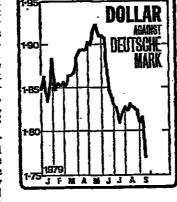
THE DOLLAR yesterday had its worst day on the foreign exchange markets since last autumn. The rate fell sharply against all major currencies following the temporary with-drawal of central bank support. The banks re-appeared in the markets within a few hours, but later intervention only suc-ceeded in slowing the decline, rather than producing a rally, in the face of heavy selling pressure.

The result was that the dollar

fell well below DM 1.80 and SwFr 1.60 for the first time since the big support package last November. Until yesterday foreign exchange dealers had believed central bank action was unofficially aimed at keeping the rate at above these levels, as shown, for example, by the narrow trading range of DM 1.81 to DM 1.84 for the past three months.

The U.S. currency closed in Europe at DM 1.7690, only slightly above its low and compared with DM 1.8055 on the previous day. Against the Swiss franc the rate fell from SwFr 1,6220 to SwFr 1.5812\frac{1}{2}. Consequently the trade-weighted index, measuring the

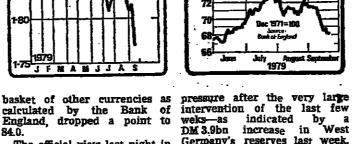
value of the dollar against a



calculated by the Bank of England, dropped a point to

The official view last night in both Bonn and Washington was that there had been no change in the policy of only ironing out fluctuations. This does not, however,

explain yesterday's sharp move-ments. It is possible that the central banks were caught by surprise by the intensity of sell- did not want to absorb this ing. There may have been an amount and the rate began to initial reluctance to resist the fall.



Germany's reserves last week. There may also have been a desire to test the temperature of the markets. A heavy seller seems to have

appeared in the U.S. markets late on Wednesday, rumoured to be seeking to dispose of \$500m. The Federal Reserve

## Smith backs down on white veto

BY BRIDGET BLOOM AND MICHAEL HOLMAN

Rhodesian Prime Minister appears to have agreed to negotiate the surrender of the parliamentary and political vetoes held by the white minority under Rhodesia's present internal settlement constitution.

These pressures continued in Mr. Smith's apparent tactical retreat on this key issue was the first two or three hours of European trading and the Bundesbank bought only a small disclosed after yesterday morning's session of the Rhodesia conference at Lancaster House amount at the morning fixing. After the sharp fall in the rate, the central banks re-appeared, in London, held between two though there were varying reports about the scale of interof the three parties to it—the Salisbury delegation led by Bishop Abel Muzorews and the vention. Some dealers said there British team headed by Lord authority.
Carrington, the Foreign Secrehad been a lot of support after the late morning in order to absorb further big sales.

The markets have been left in a thoroughly cofused state. At a press conference immediately after the session. Mr. David Kukome, the Rhodesian While there are no new influences to depress the dollar Foreign Minister, denied that the Bishop's delegation had ever been divided on the veto there is continuing concern about U.S. inflation as well as issue, and declared that Rhodesia and Britain were now speculation ahead of the International Monetary Fund annual meeting in 10 days' time. "close to total agreement" on proposals for a new constitu-The rise in the D-mark

It now seems unlikely that Bishop Muzorewa will keep to against the dollar resulted in considerable strains within the European Monetary System as his plan to return to Salisbury most other EEC central banks this weekend.

Continued on Back Page Lex. Back Page Only

#### "lingering problems here and there " remained to be ironed out, Mr. Mukome said. The delegation, he continued, had agreed on the question of the whites' powers of veto and suggested that full agreement with Britain might be reached in a further bilateral meeting this morning. But suggestions that Hr. Smith's retreat constitutes a DEMANDING PERSONAL re-

major breakthrough at the conference seem premature. A British official was much more cautious in his comments on the morning meeting, confining himself to the comment that there had been a "useful exchange of virgs."

The British war is that on

It is the first time the Bank has gone on record in such detail over the standards it the oriderne of the proceedings of the hilsterni spesion. Mr. demands from the UK banking | Smith still had many reservations on the vety issue, and Mr. The requirements are contained in a Handbook of Banking Supervision, parts of which are published today. The move been made primarily for tactical been made primarily for tactical procedure fort he 1979 Banking

Mr. Smith's continued insistance on maintaining special blocking powers for the white Act. Applications for recognition or a license under the Act must be submitted to the Bank over | minority had left his isolated within his own delegation. More On recognised banks, the important, it had hempered negotiations with Pritain. Bank says if will want to be satisfied "as to the integrity Second, the delegation and competence of key per

repeating its contention that it sonnel." The organisation as a has come to London simply to whole will have to observe "the negotiate a constitution which highest professional and ethical would be acceptable to Britain and so gain the present regime international recognition and

MR. IAN SMITH, the former the lifting of sanctions. The Salisbury contingent has consistently refused ot acknowledge that transitional preindependence arrangements. such as are demanded in varying degree by Britain and by the Patriotic Front, are necessary. And although there seems now to be some acceptance of the necessity for the preindependence elections on which Britain insists, the Bishop elections

> under But Mr. Smith's apparent readiness to negotiate on the veto issue could well loosen the log jam in the Lancaster House

British

would want these to take place

within the existing administrative and political structure,

The Patriotic Front had its own bilateral meeting with Lord Carrington yesterday afternoon. This continued its point-by-point examination of the outline British proposals and This began on Wednesday, but the Front, which continues to take a broadly constructive line, may now find its own tectical and propaganda lead challenged.

Yesterday afternoon Front repeated its objections to British provisions that 20 per cent of the seats in a new Parliament be held for 10 years by whites. They also objected to a British proposal during yesterday's talks that one-third of the seats in the Senate be elected by white MPs. A further third would be African while the remaining third would be chosen on a regional basis.

The Patriotic Front still seems prepared to accept white parliamentary representation and to changes provided these do not threaten black control of govern-ment and administration. But there was speculation last

night that the Muzorewa delegation might declare its complete acceptance of the British constitutional proposals as a basis for negotiation in a designed to force the pace of conference and embarrass both the Front and the British Government—the latter by what would amount to an appeal to the Tory Right wing.

Sept. 19

Spot \$2,1430-1440;82,1485-1495 1 month 0.45-0.40 dis 0.45-0.40 dis 5 months 0.83-0.78 dis 0.92-0.85 dis 12 months 3,00-2.90 dis 3,10-3,00 dis

## Further 14,000 jobs may go at BL cars

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

CARS' drive o raise proto to could cost 14,000 jube already announced by Sir Michael Edwardes, the chair-

Management has told trade ago. Under the scheme, workers could earn up to £15 a week more for a 20 per cent improvement in productivity.

Sir Michael is seeking to break through the cycle of low productivity and low pay that has hempered the company for a decade.

He is determined that the painful slimming down operation now proposed should leave the company strong enough to meet foreign competition. The aim is to achieve on annual

output of 950,000 cars and vehicles "during the 1980s."

Management will be challeng. ing existing working methods to seek greater efficiency. A tough line has been taken at Rover, Solingli, where the company has unions that it wants to press already suffered a two-week cambine this week drew up a ahead with an incentive scheme strike following its decision to claim for a 26 per cent rise, cut the labour force by more than 1,000 and produce as many cars on two assembly lines as were manufactured on three.

More than 900 workers have already accepted redundancy or transferred to other jobs and Rover hopes the shop stewards will agree to resume production after next week's autumn

The trade unions can be

involving £24 a for all workers. Management is likely to point out that in the current crisis. where the very survival of BL

plant plasure and redundancies

On the other hand, pressure is

building on the shop floor for a

large increase under the annual

wage review due on November

1. The unofficial shop stewards'

is at stake, any increase in wages must be financed through improved efficiency. There is concern within

management that wages and salaries have become unconpetitive in recent years and that expected to resist plans for an it is becoming increasingly diffischeme involving cult to attract skilled labour and further jobs loss at a time when

Details, Page 8

the next six months.

## Benn rejects Callaghan bid to avoid Labour conference split

BY RICHARD EVANS, LOBBY EDITOR

MR. CALLAGHAN'S attempt to head off a damaging split in the Labour Party over constitutional changes was roundly rejected by Mr. Anthony Wedgwood Benn yesterday. The move makes a confrontation at the party conference inevitable.

But as leading Right-wingers gave Mr. Callaghan full support and argued that the constitu-tional changes proposed by the Left would turn the Labour Party into "a narrow sectarian and intolerant organisation." The moderates, from the Manifesto group of MPs and the trade union Campaign for Labour Victory countered Leftwing pressures for reforms by advocating the restructuring of the National Executive Committee to be more representative of the party as a whole. The scene is thus set, follow-

ing Mr. Callaghan's doomed

attempt to seek a truce, for one of the most significant party

conferences in years.

Far from agreeing with the Callaghan and that had created Labour leader's argument that a great deal of anxiety, it was essential to postpone con-Benn came down unequivocally for immediate action.

#### Radio interview

interview, that the party should first vote on the proposed next election.
changes on the mandatory reselection of MPs, a wider election. The way to party unity is to
selection of MPs, a wider elecclear the log jam that has leader and the drafting of the age by the Parliamentary leader-manifesto by party conference, ship." and then have the inquiry into matters requiring further dis-

General Election had brought until next year.
matters to a head. The mani"Now is the festo had been drafted at a them, just after our election meeting of 47 people, 20 of defeat and the beginning of a whom were nominated by Mr. new Parliament."

stitutional decisions until the present controversy was a leaderproposed party inquiry had ship contest. To see it in such a studied the issues in depth, Mr. personal light would be "a tragic misrepresentation."

If the changes were made it would clear a log jam that had built up in the Labour Party He argued, in a BBC radio and would make it more likely that the party would win the next election.
"The way to party unity is to

toral college for choosing a developed into excessive patron-In today's Tribune, Mr. Benn

and Mr. Eric Heffer, Left wing MP for Liverpool Walton, writes Mr. Benn argued that what that the Party could not afford happened before this year's to delay the three key decisions "Now is the time to take

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Dewar's the first to bottle the spirit of Scotland

#### CHIEF PRICE CHANGES YESTERDAY (Prices in pence unless otherwise indicated)

RISES	Cublact
Fisher (J.) 230 + 13	Dowly 305 - 5
GKN 262 + 5	
Gunness Peat 103 + 6	11-11 Kacincering 130 T 9
Manch Tie. 100 T 0	titil Commot Wic OU - O
Hambro Life 135 + 4	House of Frascr 140 - 7
Irish Distillers 90 + 3	Minuse of Franci 179 - 4
Gulf Stm. Resources 230 + 30	Ladbroke 178 - 4
Free State Geduld., £17! + }	Lex Service 971 - 22
Geeror Tin 145 + 5	Marshall (T.) (Lox.) 29 - 3
Globe and Phoenix 76 + 6	Y-1111 130 - V
Impala Plat 199 + 9	Datharas Inffil 30 - 2
Mangula 108 + 8	Cadaman (G.) (D T T
Rhodesian Crpn 31 + 4	Cross Digit 54 - 15
Poss Const 1984 198 1 90	mulabreion 38 - 9
Roan Consd 125 + 20	Tilbury Contricting 265 - 27
Wankie Colliery 62 + 5	Unitech 208 - 9
	11 = 300
FALLS	Vid. Scientific 326 - 14
Tress. 5pc   \$6.89   168! - 3 Airbx Inds.   37 - 3	Wadkin 110 - 12
Airtz Inds 37 - 3	Walker (J.) 113 - 7
Amaigamated Metal 270 - 25	7011ars 75 - 3

#### **EUROPEAN NEWS**

## Bundesbank plea for moderation in wage claims

German Central Bank, has and price discipline in Bonn joined the Government in appeal earlier this week when he negotiations this winter — and and employers. He is reported in opposing general tax cuts in to have impressed both sides.

leaves no doubt of its anxiety that rising inflation - now at an annual rate of 4.9 per cent

which neither Government nor entrepreneurs are responsible. The bank adds that even when allowance has been made for in-flation, workers' earnings in real terms were 2.5 per cent higher in the second quarter of this year than in the comparable period of 1978.

The underlying message is that the moderation shown by most trade unions in last year's wage round has been paying off. Given a similar attitude this winter, West Germany could overcome the "price hump." caused in part by increased oil costs, and look forward to steady growth and lower inflation in

Chancellor Helmut Schutidt considered.

THE BUNDESBANK, the West made similar remarks on wages ing for moderation in wage spoke to leading trade unionists But the trade union leader-

In its report for September ship will find it hard to condue for release today, the bank vince its restive rank and file, particularly those who have already been demanding a special bonus for this year to make up for inflation.

The task will be all the inflation comes from abroad — 1980 are ruled out much import prices up by 16 cent in July at an annual rate stantly demanded such cuts, and that is an element for mainly on the grounds that economic growth will be slackening and additional purchasing power will be needed.

In its report the Bundesbank firmly rejects this view, saying that the real economic growth of 4 per cent this year, which has been hoped for, may even be surpassed. Additional Government revenue should be used to cut the state borrowing requirement, it says.

The Government agrees, des pite the obvious attraction of tax cuts as a vote catcher in a general election year. Her Schmidt has said that only if there were a sharp fallback in the economy, which is not ex-pected, could such cuts be

Rotterdam docks protest over arrested strikers

BY CHARLES BATCHELOR IN AMSTERDAM

MORE THAN dockers and tugboat men demonstrated in front of the Rotterdam police headquarters yesterday in protest against the arrest of several fellow strikers.

Wednesday following a pitched battle with riot police after the strikers tried to step working at a container handling depot. Leaders of the unofficial

strike, which yesterday entered its fourth week, claimed the police had used excessive force. The dispute has become increasingly bitter in the past few days with gangs of strikers threatening those willing to work. There are no signs that the industrial action is spread-

1,000 striking to the strike which still has the support of several thousand

No shortages have yet been ports in north-west Europe.

by the strike, said Mr. J. Riezenkamp, the Rotterdam Council member with responsibility for the port.

Although the overall impact

on the port has been small the labour-intensive general cargo handling sector has been badly hit. Bulk oil and ore carriers docking in the outer harbour basin have not been affected ing, however; but neither is The container terminals are also there any indication of an end working normally.

#### **Buoyant outlook for Swiss**

Switzerland is likely to pick up further during the remainder of this year, but the rising trend of prices is unlikely to slow last mouth indicating an annual down for the time being, according at inflation rate of about 4 per cent ing to an official study.

Switzerland's Economic Relatest report that economic those of other industrialised prospects have begun to countries improve because of a more. The construction industry, an favourable outlook for exports important indicator of domestic and growth in private invest-

The watch-making and tourist industries remain in doldrums, however, and new continue to be reluctant to tensions have appeared on the spend money on other goods labour market although no rise such as electrical appliances.

SWEDEN'S non-Socialists have

hold a referendum in the spring

on the future of Sweden's

nuclear power stations. In the view of Mr. Fälldin, who leads the Centre parts, the referendum

takes the nuclear issue out of

the context of cabinet decisions

and makes it possible to re-fashion the coalition.

He put in his claim to the premiership on Wednesday despite the setback to his party in the election. It has lost 22 Riksdag members and has fal-ler behind the Moderates (Cap-

Moderate party increased in strength from 55 to 73 Riksdag

dock employees.

reported as a result of the dispute. Some vessels which would normally dock in Rotter-dam have been diverted to other Only 5 per cent of the goods entering Rotterdam are affected

ECONOMIC ACTIVITY in in unemployment is expected.

The consumer price index rose by 0.9 per cent and the wholesale index by 1.1 per cent compared with 4.9 per cent annual rate in July. These consearch Commission says in its tinue, however, to be well below

> economic activity, has picked up this year because of indemand for private houses. However, consumers



## Ciampi to head Italian central bank

appointed governor of the Bank general.
of Italy last night in succession His 2 to Dr. Paolo Baffi, who has been head of the central bank since The decision was taken at an extraordinary meeting of the central bank's board, which

President Honecker . . . Strong words for West Germany

#### Honecker sounds arms call

By Leslie Colitt in Berlin

THE Warsaw Pact countries must strengthen their defences against NATO, and in particular West Germany, says Herr Erich Honecker, East Germany's President and Communist party leader. His call comes at a time of

rising Soviet criticism of West Germany for allegedly agreeing to allow new U.S. mediumrange nuclear missiles to be based on its territory.

Moscow has also been angered by the West German Defence Ministry's White Paper, presented recently, speaks of a growing military threat in which Soviet Епгоре.

Honecker attacked West Germany in the strongest language he has used in years during a visit to a Soviet army base in East Germany. He told General Yevgeny

Ivanovski, commander of the 400,000-man Soviet army in East Germany, and assembled Red Army troops, that West Germany "threatens to use the strategic means of NATO from its territory against the

This proved the "aggressiveness of federal German imperialism," he said, which the Warsaw Pact must "firmly prevent by strengthening the defence capability of our countries." International tension has increased because "aggressive imperialists" are unable to come to terms with

detente, he added. The President told the thousands of Soviet troops, including missile units, that NATO has replied to the Warsaw Pact's "peace policy" by a "maximum degree of arming." The pretext, he said, was the same as the alleged threat from the East used by Hitler and Goebbels.

#### Former Czech President dies

PRAGUE—Former Czechos-slovak President Ludvik Svoboda, head of state during the 1968 Soviet-led invasion of his country, died yesterday, aged 83, Radio Prague

world wars and the only top figure to survive the 1969 Communist Party purges, died "after a long and difficult illness," the radio said. He had been living in retirement

the tradition of selecting a new governor from within the bank. ternational experience is likely to be made up by Sig. Dini, who has worked with the IMF since

government

also named Sig. Lamberto Dini, the present executive director for Italy at the IMF, as directorskill or by Dr. Baffi general. This position is equiva-His appointment could help

lent to deputy governor.

Sig. Dini, who is 48, will replace Dr. Ciampi, who has been director-general of the bank since July last year. The new governor, who is 58, has spent the past 33 years of his workiung life in the Italian central bank, where he has

BY PAUL BETTS IN ROME

THE LEADERS of the Italian

Communist and Socialist parties failed to heal the rift between

them during talks yesterday

aimed at formulating a joint

official consultation between Sig. Enrico Berlinguer, the Communist Party Secretary General and Sig. Bettino Craxi, the Socialist leader since the

inconclusive June general elec-

tion and the formation of the

fragile minority government of Sig. Francesco Cossiga.

his thesis that a stable political solution in Italy can only

BY DAVID WHITE IN PARIS

election defeat 18 months ago.

of their 1972 common pro-

The two main parties last met at top level before the second

tion, and agreed to support each

Sig. Berlinguer is insisting on

The meeting was the first

strategy of the Left.

CARLO CIAMPI was and been a deputy director- group.

His appointment continues Although Dr. Ciampi is gener- affair is largely regarded as October 8 after the International Monetary Fund annual internal affairs, any lack of international Monetary Fund annual internal affairs, any lack of international experience is likely bank's independence.

Talks fail to reconcile Italian Left parties

Minister.

French Left pays lip service to common front

FRENCH Socialist and Com- Yesterday's meeting, held at Communist Party headquarters, where the two parties are munist Party representatives the suggestion of M. Francois and the inconclusive outcome frequently at loggerheads. The

the Communists.

No sudden change is unlikely in monetary policy, which has been conducted with great

cool the controversy which has gulfed the central bank during the past six months. This followed the decision of magis-trates to charge Dr. Baffi and Sig. Mario Sarcinelli, the bank's joint deputy director-general, in connection with judicial inquiries in the SIR chemical

Sig. Craxi, whose party holds

the current balance in parlia-

ment as long as the Commun-

ists remain in opposition, appears more interested in col-

laborating with those factions

of the Christian Democrat

Party favouring a return to the centre-left coalition with the

Sig. Craxi's aim appears to

be the nomination of a Socialist

Prime Minister heading a broad

coalition including the Social-

ists and Christian Democrats

In July, Sig. Craxi was asked

but excluding the Communists.

by Sig. Sandro Pertini, the Italian President, to try to form a government to end Italy's

versial judicial initiative. The

Despite expressions of soli-darity and confidence, and political pressure to stay on, Dr. Baffi has held firm to his decision announced in May that he would step down by the end of the year.

The most pressing task for the central bank's new directorate-composed of Dr. Ciampi, Sig. Dini and Sig. Mario Sar-cinelli and Sig. Persiana Acerbo, both confirmed joint deputy directors-general-will be to restore morale at the bank.

Perhaps the biggest challenge for Dr. Ciampi, however, will be

He failed because the Christian

Democrat leadership rejected the idea of a Socialist Prime

But a vociferous and influen-

tial faction of the Christian

Democrat party appears willing

to support Sig. Craxi's strategy

since they regard a return to the centre-left as preferable to a policy of collaboration with

This conflict among Christian

Democrats is likely to be the

key issue of the party's forth-

coming national congress, scheduled sometime between

Sig. Craxi is apparently pro-

posing to call an extraordinary

December and next February.

group.

Dr. Baffi has denied all dence of the bank. Under Dr. charges and has been increasingly embittered by the control versial indical initiative. The The bank has steered the country skilfully out of the 1976

economy and Italy's successful entry into the European monetary system.

He built up net official reserves to more than \$30bn, but although Italy's external position is still encouraging, figures released yesterday show an overall balance of payments surplus of L960bn (£548m) last month and an overall surplus of 1.2.440bn (£1.39bn) in the first eight months of this year. This compares with a surplus of LA.630bn (£2.64bn) during the same period last year.

diately after the Christian Democrat gathering to review

his party's political line.
At last year's congress the

Socialists seemed keen to adopt

an alternative left strategy

Although left-wing factions in

the Socialist Party continue to

support this strategy, Sig Craxi has shifted away from it.

his own preference for an agree-

ment with the Obristian Demo-

crats rather than the Commu-nists, the results of the June

elections which did not give the

Left an overall majority, and

Sig Berlinguer's own opposi

tion to the alternative Left

In large measure, this reflects

protracted government crisis. Socialist Party congress imme

markets

most from the sharp rise in the gold price. Indeed, it appears to have helped the increase by being both buyer and seller over the last six months. Soviet gold production is now

AS THE world's second largest

producer of gold the Soviet

Union has emerged as one

of the countries to benefit

Moscow

masters

the gold

estimated by western mining sources to be around 400 to 410 tons annually.

Heavy investment in new mines end equipment and new extraction techniques is steadily raising production capacity.

At current prices the value of annual gold output is now around \$4.8bn—roughly the same as the Soviet Union expects to pay out this year for imports of over 30m tons of grain to compensate for a bad harvest.

Over the last two years the Soviet Union is estimated to have sold the equivalent to its annual production, maini-through Zurich but also smaller amounts through

Hong Kong. Soviet gold marketing is surrounded by the deeper secrecy but it is believed that significant quantities of Soviet gold have been sold to Arabia in recent

the volume of Soviet gold salow through the more traditional channels. however, has dropped off sharply. Soviet gold sales virtually ceased between September

months.

1978 and March this year. It is impossible to know the  $n_{
m c}$ total of Somet gold sales sinethen as the Russians appea to have been buying on rising market and sellin-moderate amounts at strates moments.

There is envy in South Afri of Soviet freedom to intervein the market at will whit-the South Africans are lock into a more rigid pattern " weekly gold sales.

But as a major producer sliver, platinum and other precious metals as well diamonds and other go Stones, which have - at appreciated strongly in recommonths, the Soviet Union well placed to profit acrethe board from the curren flight out of money. According to the latest go?' report by consolidated go!'

fields the Soviet Unipossesses the world's larem". single gold mine at Muruntan in Uzkekistan.

Output is now estimated at som 80 tons of refined 2n1 annually using a new ico recovers gold from a speri-

cyanide pulp.
But two thirds of Soviet go output is believed to com-from the Soviet Far Far Yakutia and East Siberia. Most of the remainder corr-from gold and polymetal"

ores in the Urals, Kazakhsta-Armenia and Uzbekistan An intensive search for ne-gold fields is now under we-particularly in the Asian p of the country.

The opening up of vast traof mineral-rich lands either side of the Bake.
Amur railway in Siberla also expected to lead to no gold finds and increased pr

duction from polymetal No figures are available for th cost of Soviet gold production but unlike South Africa visits deep mining technique the bulk of Soviet gold comfrom placer mines, gold bearing gravel and as a by-produ

from polymetallic orebodies Under these conditions creare believed to be lower it South Africa, although Sov gold production faces usual problems in the coun' of extreme cold and difficul of transporting equipment

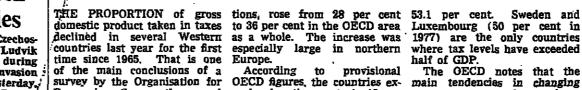
#### **OPEC** urged to abandon price policy

By Ray Dafter, Energy Editor ONE OF the founders of the

Organisation of the Petrolcu Exporting Countries (OPEC: Sheikh Abdullah: Turaik yesterday urged oil producer-to abandon their policy u steadily increasing prices and exchange their crude production for factories and technology instead. heikh Turaiki, a former Saudi

oil minister and now a con-sultant, said OPEC's policy was doomed to failure. The producers would continue to be the losers because of their need for imported goods, he said. They could limit their oil exports instead. He also told the Gulf weekly

newspaper Al-Hadaf that the proposed talks between the EEC and Arab oil producers was a "consurary" aimed at separating the Gulf oil states from OPEC, a move which would transform the proposestion into the helpotest organisation into "a helpless group."



gramme.

other's candidates.

Economic Co-operation and reported.
Mr. Svoboda, a hero of both Development, based on provi-sional figures for 1978. The survey says that in the 37.6 per cent as a proportion 16 countries for which data is of GDP in 1977, to 34.5 per cent

in Prague after resigning in May 1975 because of ill health.

made only token gestures Mitterrand, the Socialist leader, came as no surprise. The Comtowards a common front yester- as part of a step-by-step proceday after holding their first dure to rebuild the Union of the meeting since the Left's general Left, underlined the continuing divergence between the two The meeting came two years almost to the day after the left-wing parties, Socialists, Communists and left-wing; Radcials, fell out over the unitary version of their 1972 common pro-

get together to mobilise public opinion, particularly in protest against tax increases. Neither M. Mitterrand nor

round of the March, 1978 elec- M. Georges Marchais, the Comsecretary-general, representatives munist

decline in taxation included

Italy, where it dropped from

35.2) and Ireland (35.2 to 33.7

accounted for by taxation, in-cluding social security contribu-slightly from 53.4 per cent to decline in most countries.

In Sweden, the most tighly

available there has been a last year, the United Kingdom general levelling-off of the up- (down from 36.6 per cent to

munists, in particular, had played down the importance of the meeting. M. Marchais told his party's central committee last week tht the time was not ripe for political pacts. The Communist daily newspaper, l'Humanité avoided mentianing the meeting at all yesterday morning.

was led by M Charles Fiterman, a member of the central committee secretariat and included froni

where tax levels have exceeded

towards an increased reliance

on personal income tax and, in

most countries, social security

It says that there has been a

reduction in the emphasis on

consumption taxes, especially

on tobacco and alcoholic drinks.

while taxes on profit, incomes

half of GDP.

contributions.

According to provisional The GECD notes that the OECD figures, the countries exmain tendencies in changing periencing the most significant tax structures have been

realistic.' At the Socialist congress last April, M Mitterrand kept his party committed to the Union

The Communist delegation rerrand is identified by his

of the Left, despite dissenting factions who wanted to steer the party towards the Centre. Marchais, who like M Mit-

critics, with the abortive alliance, adopted the compro-mise idea of a "rank-and-file the union" at the Communist attended the three-hour talks at Marseilles and Grenoble regions, congress the following month-

#### West reduces its taxation share Reserves at record level in Spain

By Robert Graham in Madrid SPAIN'S FOREIGN exchange and gold reserves reached a new record in August of \$12.9bn. month -

The rise has continued this In the first eight months of the year external reserves have risen by \$2.8bn. However, August saw a lower rate of increase than in the same month of 1978 - \$521m compared with \$764m.

This slower rate has been attributed to a combination of a decline in Spain's export perand property have continued to formance and a drop in tourist

referendum, while the Moder

ates and Liberals will be striv-ing on the other side. Uncom-

mon restraint within cabinet will also be necessary to pre-vent these differences from affecting the Government's

The administration will have to set the stage for important negotiations between the employers and the unions on a

new national wages agreement.
Talks are due to start in
November, but the unions are
already calling for immediate

discussions on wage compensa-tion to which they are entitled after the consumer price index

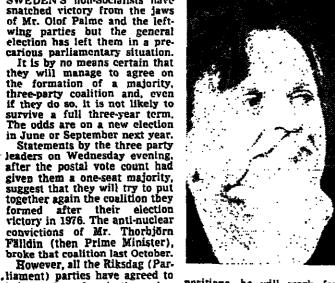
## Election victory brings headaches for Sweden's non-Socialists

ward trend in taxation levels.

average proportion of • GDP

Between 1965 and 1977 the per cent).

BY WILLIAM DULLFORCE, NORDIC EDITOR, IN STOCKHOLM



positions, he will work for a

three-party coalition. The joker in the pack is Mr. Cla Ullsten, leader of the Liberal party, which, with its 38 Riskdag seats, is the smallest in the non-Socialist bloc. He has tasted power for almost a year as Prime Minister in the Liberal minority cabinet which took over after the collapse of the non-Socialist coalition, and challenging for the leadership of

a new coalition. len behind the Moderates (Conservatives).

The objective of the election victor, Mr. Gösta Bohman, whose Moderate party increased in strength from 55 to 73 Riksdag regard for each other and work members, is to maintain the strongest possible anti-Socialist not forgiven Mr. Bohman has not forgiven Mr. Ullsten for front. He is not seeking the premiership and, short of capitulating on all the Moderates' Liberals and Mr. Fälldin is not He and Mr. Bohman have a high

election result has left the Social Democrat leader, Mr. Olof Palme (left), breathing even harder down the necks of his non-Socialist rivals, Mr. Thorbjörn Fälldin (Centre party), Mr. Ola Ullsten (Liberals) and Mr. Gosta Bohman (Moderates), pictured (right) at the count of the 40,000 postal votes which determined the poll

The Swedish general

Centre and Liberal parties feel that their parties' futures would be endangered by close association with the Moderates.

economic situation. It was no time either for right-wing influence or for doctrinaire socialism, he said.

at ease with the Liberal leader's who rule with and influence the tough, utilitarian approach to politics.

Internal party pressures, however, could outweigh the personal aims of the leaders. Strong elements within both the Screen and Liberal parties feel who rule with and influence the power but his tough posture could have a sound tactical base, Although he lost, support for the Social Democrats within the serves on Wednesday that strong elements within both the have "a policy which serves pressure within the party for a server of the social Democrats.

Sweden's next Government must have "a policy which serves pressure within the party for a server of the social Democrats.

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Strong elements within both his tough policies of the Social Democrats.

Sweden's next Government must have "a policy which serves policies of the Social Democrats within the serves policies of the Social Democrats within the serves policies of the Social Democrats with

party's youth wing yesterday ments on Wednesday on the coalition, embracing the Social and Liberal parties. They had become significantly increase the conficult of the centre of the ce new three-party coalition by recent policies of the Centre and Liberal parties. They had widened the gap between the Socialist and non-Socialist blocs, he said. Together with the Moderates, they had concealed the truth about the economic situation for the centre of Social and non-Socialist support and one of Social Democrat weeks to form a coalition under members in the Riksdag. This would ease his dependence on Communist support and one of Social Democrat weeks to form a coalition under members in the Riksdag. This would ease his dependence on Communist support and one of Social Democrat weeks to form a coalition under members in the Riksdag. This would ease his dependence on Communist support and one of Social Democrat weeks to form a coalition under must strive for a low wages settlement. This entails agreement among the non-Socialist parties on tax policy, the area in which their differences are most difficulty, however, in navigations. Several leading Liberals have situation from the people uniting long advocated that the right the election campaign.

Mr. Palme was obviously the people of their party

Sweden's next Government must party morale and to stifle paper, that non-Socialist interpretate more than half the people."

However, Mr. Palme himself

electorate grew enough to odost orgest morning daily newsparty morale and to stifle paper, that non-Socialist interpretation of the party for a new leader. Also, although he centre-Liberal minority cabinet would not comment on Wedness relying on Moderate party party and also activities to a light and the party party party and the party party party and the party may have helped to promote a day night on his attitude to a new poll, Mr. Palme must con-sider that his chances are good If Mr. Ullsten's sharp tactical

up chances for compromises on crucial issues with either the political posture for their party Mr. Palme was obviously Centre party or the Liberals. policy The Carries one similar to that of the smarting at being deprived at The non-Socialists' one-seat campaignees. West German Free Democrats, the last minute of a return to majority in the Riksdag, which against not be a second or call the control of the cont

will convene on October 1, is governing. The suggestion yesterday in Dagens Nyheter, the biggest morning daily newsliamentary support seems more

it during the next six months It will be divide the policy. The Campaign T

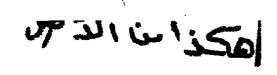
broke through the agreed threshold in August The warning earlier this week from the Federation of Swedish Industries on the swiftly rising payments deficit and the threat of 12 per cent inflation next obviously a fragile base for year was described as exaggerated yesterday by the chief economists of both the trade union federation and employers' association. Neither body, though, can challenge the federation's conclusion that there is little scope for any real

The new Government must

income improvements in the immediate future.

riscion has not left Sweden's our Socialists in an enviable "" ind. Mr. Paling is breath





Nizam's

postponed

By K. K. Sharma in New Delhi

THE WORLD'S most highly-

priced jewel auction was post-poned yesterday when the only two bidders threatened

to withdraw unless they were assured that the jewels could

The auction of 37 items of jewellery from the late Nizam

postponed until today when the Supreme Court, which has

ordered the sale of the jewels,

will decide whether it can give the required assurance.

The complication arose when the Indian Government's

Solicitor-General sought a stay a few hours before the auction was to begin. He said

the Government wanted until today when a Cabinet meeting

is being held, to decide whether export of the jewels should be permitted.

The move came after wide-

spread criticism of the auction

by Indian art lovers, who insist that the country's heritage is being sold to foreigners. Protests have also

come from politicians, who

want the Government to buy

the jewels and keep them in an Indian museum.

The Supreme Court did not allow the stay. The judges asked: "What has the Govern-

ment been doing until now? It is too late." But when the

auction proceedings began, the only two bidder—the Greek shipping magnate, Mr. Stavros Niarchos and Mr.

Abdul Waharo Galadhari, a wealthy businessman from Dubai—said they would with-

draw unless they were given

the requisite assurance on

Ram Narain Malhotra, of the

The official auctioneer, Mr.

export.

jewel

sale

be exported.

## Pakistan officer denounces Zia's planned elections

BY SIMON HENDERSON AND DAVID HOUSEGO

A PAKISTAN army brigadier further defections within the missioner as well as the with-announced in London yesterday Pakislani army. The brigadier drawal of amendments to the that he was resigning his com- claimed that 90 per cent of the constitution. He said that if this mission in protest at the martial armed forces shared his views did not happen by the end of law regime of General Zia-ul

Brigadier Usman Khalid, commandant of the artillery school, said he did not believe general elections planned for November would be fair and free. He said amendments in electoral laws and the introduction of proportional representation would ensure that the P.kistan People's Party of the late Mr. Zulfikar Ali Bhutto could not win although it had

martial law was introduced with majority Punjab province which Khan the overthrow of Mr. Bhutto more than two years ago.

His resignation and his denunciation regime raise the possibility of of

on democracy and said there the month, he hoped there had already been scores of would be mass resignations of resignations.

General Zia's regime. Officially the Pakistan army has always tried to show itself as a nonpolitical force and claimed that The Pakistan embassy in the unity of its ranks was the London said yesterday that it greatest contribution to the was surprising and uncountry's stability.

The brigadier and a lieuten-ant-colonel, who has resigned the support of the majority. on similar grounds and joined
The brigadier is the first him at a Press conference in
senior officer to resign since London yesterday, are from the dominates all sections of life in

> of the the resignation of Gen. Zia and the chief election com-

senior officers.

Unrest in the army poses a He announced the establish-potantially major threat to ment of a Pakistan Liberation He announced the establish-Movement and said that he would be applying for political asylum in Britain.
The Pakistan embassy in

was surprising and un-precedented to hear of the resignations

Reuter reports from Rawalpindi: One person was killed and two seriously injured in an election clash at Dera Ghazi Khan in central Punjab province. The incident, reported Pakistan. yesterday, is the first violence Brigadier Usman called for so far in a campaign for pro-

## South Africa makes gas find

BY QUENTIN PEEL IN JOHANNESBURG

SOUTH AFRICA'S State-owned oil exploration company, Soekor, tain viable quantities of natural been found at about 6,000 ft. is "reasonably optimistic" it gas, it would greatly increase At present, Soekor has two may have made a "viable distinction the strategic significance of drilling rigs in operation covery of natural gas" off the west coast of South Africa and Namibia (South-West Africa). The gas finds are probably

hole is not yet complete. It is But Soekor insisted yesterday likely to take several months that, although the same geobefore it can be properly tested. logical basin stretched from the Cautious optimism about the latest discovery follows a similar gas find by the U.S. oil company, Chevron, off the same coastline in 1974. However, that

find, which was never tested,

was considerably further north, within Namibian waters. Namibia in which the United it was in Namibian waters made challenges South Africa's rule of the territory, has been an important factor in preventing that find being tested or exploited.

Oman-Iran

talks on

By Our Foreign Staff

If the area is found to con-

The gas finds are probably The latest borehole sunk by the most hopeful signs to Soekor, west of Hondeklipbaai, emerge so far from Soekor's souht of the Orange River, has R150m (£80m) 10-year search produced gas, although the borefor oil both on- and off-shore. Orange River to south of Hondeklipbaai, as yet, no proof existed of a major gas field. Chevron had forfeited its

rights to its gas strike since and, which was never tested, 1974, Soekor said. It had not been tested at the time because the pressure was too great for the international dispute over the rig being used. The fact the find politically sensitive.

The depth of the 1974 find was more than 10,000 ft and the present borehole is likely

although the gas has already At present, Soekor has two drilling rigs in operation: Sedco 708, which has found the gas, and Sedco K, which is drill-

of oil have been found. A third rig is being leased early next year, which will increase capacity from the present 6-8 holes a year to 12-14. The budget for the coming year has been increased to R75m (£40m).

ing in Mossel Bay, where shows

Despite the exploration effort South Africa is wholly depen dent on imported oil for its liquid fuel requirements. It is, therefore, extremely vulnerable to international oil sanctions, even though some 75 per cent of its energy requirements come from non-oil actually sources.

The commissioning of the Sasol-2 oil-from-coal scheme will to reach a similar depth, further reduce its dependence.

## Vietnam boosts forces

security

OMAN has sent a senior envoy to Iran to discuss the security of the Strait of Hormuz, which lies between the two countries at the entrance to the Gulf.

The talks in Tehran between the two countries at the entrance to the Gulf.

The talks in Tehran between the two countries at the entrance to the Gulf.

The reports from Bangkok.

The reports confirm the views by the heated discussions on Kampuchea now taking place at the United Nations General Omani envoy, and Iranian Foreign Ministry officials coin-

eided with an announcement that the Iranian navy would stage manoeuvres in the Gulf on September 23-its first show of strength since the revolution in February.

Sultan Qaboos bin Said. of Ontan, is known to be deeply concerned about the security of the whole region and of the Strait in particular because of the fall of the Shah and Iran's stated abdication of its role as a military protector of the Gulf. He has sent envoys to other Gulf states to discuss the issue. Oman is particularly worried

about the threat of terrorist attacks on tankers using the

Mr. Habib said Iran was willing to co-operate with Oman to safeguard the Strait but no concrete measures had been dis-

Rear-Admiral Ahmad Madani. head of the Iranian navy, said in announcing the naval exercise, that the security of the Gulf was the responsibility of yesterday repatriated to China world oil-buyers as well as of 733 Vietnam Chinese refugees the littoral states.

A leading Iranian clergyman, Ayatollah Sadeq Rouhani, has issued another threat of annexation against the island of from China, Bahrain on the southern side The repair of the Gulf. He said that the Emir of Bahrain was oppressing his people. "We hope that one of two things will come to pass in Bahrain: either restoration m Bahram: either restoration of Islamic laws, or annexation to the Islamic Republic of Iran."

The Shah formally gave up Iran's claim to Bahrain in 1970.

The island has a majority of the Islamb has a majority of the Islamic has a majority of the Islamb has a majority of the I

in Kampuchea by 50,000' BY DAVID HOUSEGO

VIETNAM has raised the num-now faced with starvation—is ber of its forces in Kampuchea the relatively small quantity of (Cambodia) from 150,000 to medical and food supplies being 200,000 in preparation for a channelled through agencies

Vietnamese are seeking a rapid victory to consolidate the power of the Hong Samrin Government. for whom they are seeking international recognition.

continuing Kampuchean war. The Chinese have been asking Western governments to limit controlled by the Pol Pot forces

the United Nations General Assembly. On Wednesday, the credentials committee recommended that the Pol Pot régime should continue to hold the

A lengthy campaign would vietnamese seat.

risk a damaging renewal of Western governments would charges against Vietnam of formally oppose renewed Vietnameter intervention in Kampuchea. It mese intervention in Kampuchea rould also encourage the Chinese but a swift Vietnamese victory to attempt another attack on (as opposed to a protracted war). Vietnam if they believed the would undoubtedly ease diplocountry was being weakened by matic efforts to achieve a politi-

cal settlement in Indochina. Western observers expect it would be followed by a muchtheir aid to Kampuches to areas publicised withdrawal of Vietna mese forces as the prelude to without defining what these are. the formation of a more broadly
The only known Western aid based Government in Phnom reaching Kampuchea-a country Penh.

#### Hong Kong sends refugees under guard to China

BY PHILIP BOWRING IN HONG KONG

THE Hong Kong Government who arrived here carlier this year by boat claiming to have come directly from Vietnam, but who had actually arrived

The repatriation, which took place under heavy guard, fol-lowed discussions which have been going on for some time between Hong Kong and the Chinese authorities.

Shia Moslems (as in Iran) but repairs and provisions, the ruling Khalifa family are But those repatriated yesterthe ruling Khalifa family are But those repatriated yester-Sunni, the largest sect in Islam. day were refugees who had

earlier gone to China from Vietnam and been resettled in Chinese communes.

Presumably with the nivance of low-level officials, they later obtained fishing boats and made the trip to Hong

Several other boat-loads amounting to several hundred people, are at present being investigated The Chinese made special

arrangements to receive back the emigrés, who are not expected to be punished. Such cases are expected to recur, because many of the 250,000 ethnic Chinese who fled to China from Vietnam have been settled in coastal areas near Hong Kong.

## Japan steel output to decline

BY RICHARD C. HANSON IN TOKYO

quarter of this year after nearly tries. two years of unbruken expan. The

the present quarter as a result tories will continue to make the of a slowing down of exports, domestic market buoyant.

The export side has proved

crude steel for the coming quarter, down from the ex-pected production of 28m

Present quarterly output pro-lection is about 300,000 tonnes below the Ministry's original guideling.

Domestic demand for steel is January-July at about 17.9m relatively strong in most sectors

JAPANESE CRUDE steel out of the economy, notably cars
put will decline in the last and electrical appliance indus-

The outlook is for some slowdown in demand from the con-The Government's guideline struction sector, with Governon steel production in the ment public works spending October-December quarter indibeing held back, but otherwise cases a 1.2 per cent decline from strong demand and low inven-

The Ministry of International less attractive than could be Trade and Industry has set the hoped because of a sharp slow-condeline at 27.6m tonnes of dawn in orders from China. New orders for steel from China in the first six months totalled about 2.2m tonnes, but tonnes from July to September. orders in the second half will prohably be around 800,000

tunnes. Exports in general have held the same level as last year in

Exports to the U.S., despite a slow-down in demand in some key industries, have not been badly hit so far, while other exports such as those to the Middle East have been good.

The steel industry has done well financially during the half year which ends this month, but higher costs following the latest increases in OPEC oil prices will probably slow performance in the coming half year.

Japanese steel makers have generally started to put more emphasis on making steel pro duction profitable. Later this year, the industry is expected to seek its first domestic price in-

crease in nearly three years. Overall, crude steel produc-tion for the year will be up about 8 per cent from last year to an estimated 110,650m tonnes.

israel debates the moral price of its fight for survival

## Cover-up of an army's shame

مے: این الڈ عل

BY DAVID LENNON IN TEL AVIV

THE DECISION by Israel's of elemency to reduce the sent-two years, which amounts to a amount of hypocrisy in the Chief of Staff to commune the ence to two years. two years, which amounts to a amount of hypocrisy in the virtual pardon, and the use of words of those who are trying sentence of an officer found Because of the row which guilty of murdering four developed among parliamen-Lebanese civilians last year has raised a storm of controversy an interview to an Israeli paper, throughout this country where to defend his decision. He said people believed that their army that Lt. Pinto had acted in self

with a high code of ethics.
The Israeli army, which is one of the pillars of the state, suffered a major blow to its prestige because of its unpreparedness in the 1973 war. Prior to that the army was regarded as above criticism. Its actions were always believed to be just and essential in the defence of a nation constantly threatened by hostile neighbours.

the nation to discover in 1973 that the army suffered many of the deficiencies of the rest of society. The revelation now that an officer had tortured and murdered four civilians he took prisoner has dealt a blow to the

functioned during the invasion of southern Lebanon last year, and there has been public questioning of other aspects of the

week and never denied in Israel, are fairly simple. Lieutenant Daniel Pinto tortured and strangled four Lebanese villasion of the area in March 1978. He was sentenced to 12 years' imprisonment, subsequently retured them before strangling and extermination involved duced by an appeal court to them and throwing them down actions which have since been

eight years.

The trial was held in camera and few people knew about the Finance Ministry, then adjourned the proceedings until he could consult the iocident, even though the sent- fellow officer. ence was announced. The case only became a cause celebre clouded in Israeli eyes by the accuse of being after the cihef of staff, Lt.-Gen. behaviour of the chief of staff it out bluntly judges. He came back to say the court would make a pre-nouncement today. Rafael Eitan, used his powers in commuting the sentence to

It was a traumatic shock for

belief in the high moral-behaviour of the army. Questions have been raised about the army since 1973. Recently the state controller criticised the way the army

behaviour of the military.

The basic facts of the case, as first reported abroad last

that Lt. Pinto had acted in self combined military excellence defence, as he had claimed at with a high code of ethics. the trial. This appeared to be almost a flat rejection by Gen.



General Rafael Eitan: resignation demanded

The facts, however, seem to contradict the claims both of the lieutenant and the general. strangled four Lebanese villa- The court ruled that Lt. Pinto gers while serving in south accompanied by two soldiers. Lebanon after the Israeli inva- had taken four unarmed villagers prisoner, bound their hands and feet, and then torwell. The only extenuating circumstances was that he was Mr. Zeev Schiff, the veteran trying to find out who killed a military correspondent of the

But the issue has been

for Gen. Eitan's resignation.

Underlying the row is dis-quiet among some Israelis and that the Litani operation about what is and is not morally is the negative example of the acceptable.

Last weekend Mr. Amos Oz, the nation's leading novelist told a public meeting: "I fear that Gen. Elian is an honest war of I man, and I fear that the real meaning of the clemency he extended to the convicted officer is that he truly believes officer is that he truly believes that killing a few arabushim (a derogatory Israeli term for Arabs) is not such a terrible

The veteran correspondent adds that "whoever speaks of looting as if it characterises the IDF of 1978-79 should

in the West as a nation guided by high moral principles. It has demanded support from abroad as the moral duty of the western nations which stood aside during Hitler's holocaust.

I looted the property of an entire people that fied."

The Israeli army as a force of Sir Galahads fighting for their Compared to its neighbours Israel is a bastion of democracy and law, at least where its Jewish citizens are concerned. It has not hung a single Palestinian terrorist despite the barbarity of many of their actions. The last Prime Minister accommodation within western was forced to resign over a fin- society and decided that their ancial misdemeanour. Lt. Pinto was brought to trial and sen-

But Israel remains a raw nation where the fight for survival is very much a daily issue, and many of the niceties long associated with the liberal. humanitarian Jewish tradition have had to go overboard.

The creation of the State of

attacked on moral grounds. authoritative Ha'aretz daily paper, and a man no one would accuse of being a Leftist, spelt

There is a not inconsiderable paid in creating their state.

virtual pardon, and the use of words of those who are trying military censorship to prevent to give the impression that the the facts of the case becoming Israel Defence Forces (IDF) of known. There have been calls 1979 is a army whose purity of for Gen. Eitan's resignation. arms is blemished in comparimoral deterioration of our

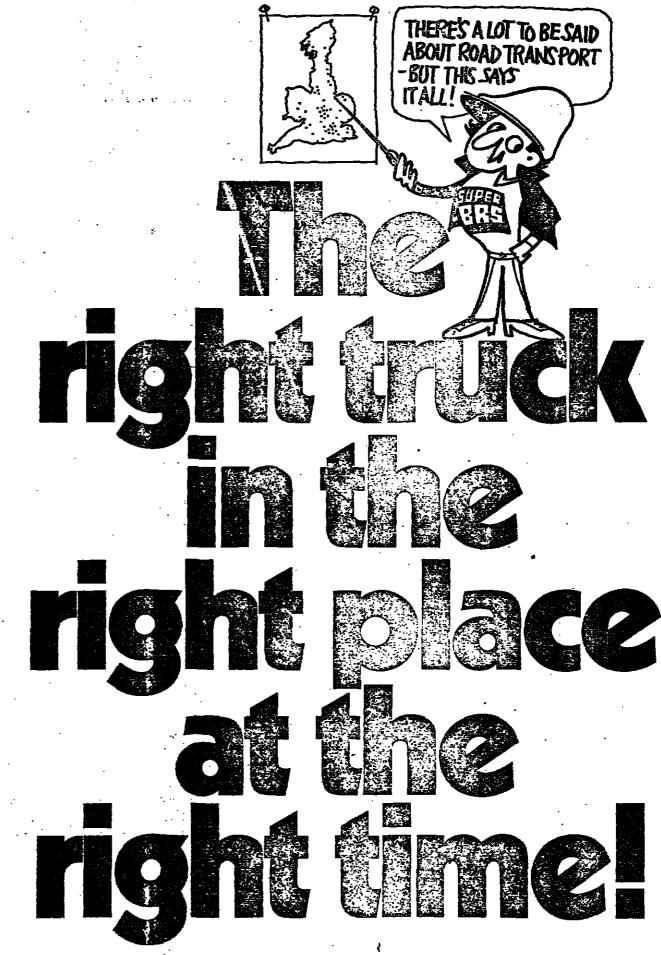
He asks Gen. Eitan's critics how it occurred that in the War of Independence our forces did not take prisoners from among the Palestinian fighters

hing. remember that in the 1948 war Israel has long had an image accidental looting did not occur, rather, many thousands of our soldiers and citizens looted the property of an entire

The israeli army as a force or Sir Galahads fighting for their existence while maintaining a high moral pose never existed in reality, only in propaganda, The Jews who created Israel were not western liberals, but the whole tradition of finding only salavation from persecution lay in the creation of their own state. Like all nation builders they were hard realists. It is only now, with the state firmly established, that some of the Israelis are returning to the liberal ideals.

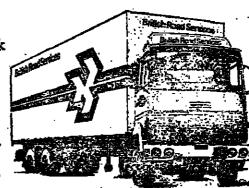
But the one, great un-resolved dilemma facing Israel 'is the Palestinian issue. For the Israel as a haven from pogroms hardliners like General Eitan the issue is simple, it's them or

For the emerging liberals the question is more painful. They have to admit that Israelis did an injustice to another people, the indigenous Palestinians. The case of Lt. Pinto reminded Israelis of the moral price they



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Beating the

components

Tokyo car

labyrinth

Editor, in Tokyo

By Charles Smith, Far East

ABOUT THREE years ago the

identified motor components as

something which Britain ought

to be able to sell to Japan, given

the world-wide competitive edge enjoyed by the UK components

The operative word is "ought," since it has turned out

to be very difficult indeed to

clinch any actual sales in a market where "family type" relations exist between car

assemblers (such as Nissan and

Toyota) and components manu-

A book\* just published by

Dodwell Marketing Consultants explains for the first time how

these family relationships work and why they are so different

from the relatively open nature

of those between, for example, UK car assemblers and parts

The book could serve as a valuable guide for exporters

who are determined to penetrate the labyrinth of the Japanese

components market—or con-ceivablyy as a reason for decid-ing not to try to penetrate it at all.

Dodwell's basic point is that,

whereas in the west motor com-ponents makers grew alongside

but independently of motor manufacturers, in Japan the assemblers took the lead in

fostering the growth of a strong components industry.

The result, is that most of the

major motor manufacturers are

TOKYO - Mr. Edward

Heath, former British Prime

Minister, said yesterday pro-

gress was urgently needed to rectify the trade im-

balance between Japan and

that a gennine problem

existed over the community's

chronic trade deficit with

Japan, which last year totalled

some \$6.5bn. In a lecture to

the Ishizaka Foundation, he said that there was a tendency

for Japan to underestimate

the significance of the Com-

munity... in ...world ...affairs because of its historic links

surrounded by groups of com

ponent makers (more than 30 in

the case of Toyota and Nissan) who sell mainly if not

exclusively to their manufactur-

Dodwell says that Toyota

established most of the com-

ponents makers who now form

the Toyota "group," whereas Nissan has tended to attract

existing companies into its orbit.

Most of the companies in both

groups are associates rather than

subordinates of the principals

equity participation, and market-

ing relationships are normally fairly exclusive.

It is not impossible to find a

components maker which sells

to Toyota and Nissan but it

seems to be rare, judging by Dodwell's "customer survey"

Community.

with the U.S.

ing " principal."

European Économic munity. He said

facturers

manufacturers.

Embassy in Tokyo

## Big banks follow prime rate move

MANY major U.S. banks increased their prime rates from 13 per cent to a record 134 per yesterday, following the lead set by Chemical Bank of New York the day before.

These included Chase Manbank, which sets its prime rate according to a formula based on the cost of short-term funds each Friday, was expected to follow suit today.

At the same time, money market analysts concluded yesterday that the Federal Reserve had also slightly tightened the key Fed funds rate, from 11? per cent to 111 per cent, following the increase in the discount rate to a record 11 per cent earlier this week.

puzzled that the Fed had not acted more aggressively in the Traditionally, the fed funds rate is one per centage point higher than the discount also be reasons for a higher Fed the city

Bid to end

By David Buchan in Washington

DEMOCRATIC LEADERS in

the U.S. House of Representa-

An unexpectedly large defec-

beginning on October 1.

Budget

defeat, although not unprece

dented, is another sign of the

increasing difficulty House Democratic leaders have had in

marshalling their troops this

year. A previous instance of

this difficulty was illustrated

by the protracted wrangle over President Carter's petrol ration-

Republican discipline has by

contrast been much tighter, and

on Wednesday all but four

Republicans in the House

voted as they traditionally do

The House had earlier thrown

out a Republican proposal for

a \$20bn tax cut and some corre-

The Democratic leadership's

sponding spending reductions.

task is now to rejig the Budget

resolution, which sets binding

limits on broad spending cate-

gories, to win over defectors

among the Democrats. Some of

these want higher defence

spending and some want to

to the butter of social pro-

The Rouse has shown itself

much less monolithic in favour

of increased defence spending

than the Senate, whose atten-

tion is now consumed with the

Whatever the fate of the

Budget in the House, the over-

all deficit in the 1980 Budget

seems certain to be around

U.S. this mouth against a back-

ground of sensitive economic

and political problems between

the two countries, but at the

same time a growing awareness

Mexican nationalism reached

its annual peak last Saturday

with the commemoration of in-

dependence from Spain on Sep-

As always the climax of the celebrations was the traditional

"grito" (shout of joy) given by the President in the main square of Mexico City to the

chiming of bells and the cheers

But these days the focus of

nationalistic antagonism is no longer Spain, but the U.S., the

giant northern neighbour with

which Mexico shares 2,000 miles

Any foreigner who mingles

with the crowds on September

15 is likely to get a bag of confetti full in the face if he looks

like a "gringo"—the term for

To judge from the Mexican

two countries are perpetually at

Mexico is still licking the

wounds to her national pride

caused by the Treaty of

territory, including what is to-

day California, in return for

of their interdependence.

tember 15. 1810.

of the crowds.

of frontier.

North Americans.

Guadaloupe.

\$15m compensation.

SALT arms treaty.

against the Budget resolution.

resolution's

House

budget

revolt

interest rates on the economy continued yesterday as a num- system against inflation. ber of key figures made their

views public. Senator Lloyd Bentsen, chair-

However, the sharp division hoped the authorities "have member, said in a speech at a of opinious about the effect of gone as far as they are going to New York conference that go" in using the monetary

interest rates might still not be high enough to curb inflation. Several members of Federal Reserve Board Indicated that they had voted against a interest rates "it can reasonably hattan, Morgan Guaranty, Bank an of the Joint Economic Comnitee, said that a 134 per cent Tuesday for fear of pushing the that are negative in real terms
can Bank, First Pennsylvania prime rate was "a matter of Bank and Bankers Trust. CitiBank and Bankers Trust. CitiSenator Indy Bentsen, chairnat they had veted against a interest rates at can reasonancy rise in the discount rate on be argued that interest rates at can reasonancy rise in the discount rate on be argued that are negative in real terms
can Bank, First Pennsylvania prime rate was "a matter of economy into a deeper recession. are excessively expansionary."

When the level of inflation was higher than prevailing

#### Credit rating reduced on Chicago bonds

BY MARALYN EDID IN CHICAGO

CHICAGO LOST its prized double-A credit rating for the first time in at least two decades on Tuesday, when Standard and Poor's lowered its rating of city bonds to A-plus because of the city's weak financial position.

The rating agency's analysts Fed funds market, by pushing said a 1978 operating deficit will the rate up to 112 or even 12 reduce the general fund surplus to \$8m from a previously budgeted \$30m; unpaid bills for city services have been building rate. The high pace of inflation for several years, and will reach and the dollar's weakness would \$94m by December 1979; and the city has used non-sity of the mayor, Mrs. Jane slipped below the single-A renewable funds from Govern- Byrne, to criticise her pre-category.

ment grants and land sales to finance operating expenses.

enjoyed the reputation of a fiscally sound and well-managed city, especially compared with its northern urban peers such as New York, Cleveland and Detroit, which have suffered financial difficulties severe recently.

But the snowstorms that paralysed Chicago last winter generated more than \$50m in

decessor's policies, especially on financial matters, has made city years Chicago has finances a political hot potato this year.

The S and P analysts said the city's rating could be restored by eliminating the city's deficits and meeting other liabilities in a more orthodox manner. They warned, however, that the problems would require several years to correct. They also said that if it were not for the city's strong and diversified economic

## Chrysler elects Iacocca chairman

MR. LEE IACOCCA was yesterday elected chairman and chief executive of Chrysler at a meeting of the board of directors at the company's Detroit headquarters. The appointment was rirtually a formality after Mr. John Riccardo announced his early retirement from the ailing

tives started work yesterday to rescue the 1980 Federal Budget Mr. Iacocca's former position of Coster president and chief tion of 67 Democrats had caused the defeat on Wednesday night of a \$548.6bn spending limit resolution for the fiscal year operating officer was filled by Mr. J. Paul Bergmoser, 63, formerly the executive vicepresident responsible for pro-curement and supply. Mr. Berg-moser was also elected to the

included Mr. Gerald Greenwald the Government dismissed as denied the allegation.

former members of Ford Motor Iacocca was dismissed last year. The job of rescuing Chrysler from its financial distress and hammering out a deal with the Government thus falls squarely

about government assistance than Mr. Riccardo. Chrysler's request for federal publicised suit alleges that Mr aid is now at something of an Ford misappropriated company Other appointments yesterday impasse. At the end of last week funds. Mr. Ford has consistently

on Mr. Iacocca, a man reputed

to have greater reservations

to the unenviable job of executive vice-president of finance. "way out of line" Chrysler's request for \$1.2bn in immediate Most senior positions at standby federal loan guarantees. Chrysler are now occupied by The Government and Chrysler are now working on a rescue Company, from which Mr. package which would then have to be approved by Congress. When he was appointed presi- The New York courts have dent of Chrysler, he started said they have no jurisdiction raiding Ford's top management. in a \$50m lawsuit filed by dissident shareholders against Mr. Henry Ford II, chairman of the Ford Motor Company.

Their lawyers said yesterday they would re-file the suit, either in Delaware, where Ford is incorporated, or Michigan, where its headquarters are. The much publicised suit alleges that Mr.

## H-bomb scientists facing probe

BY OUR WASHINGTON CORRESPONDENT

THE CONTROVERSY over H-bomb article. This case had published a long letter giving Press articles about nuclear caused weapons—hydrogen bombs in particular — has taken a fresh turn, with news that the Justice Department is considering investigations of government scientists who may have divulged classified informa-tion on H-bombs to journalists.

This follows the Government's decision on Monday to drop its gon Papers.
prolonged attempt in court to The Government's climbhave the Wisconsin-based maga- down in court came after zine Progressive permanently another Wisconsin newspaper, restrained from publishing an the Madison Press Connection,

a considerable stir among the Press and the legal profession, because it was the first time the Government had tried to use "prior restraint" security might not be directly against a publication since the endangered, such open articles Supreme Court overturned the increased the hazards of nuclear Nixon Administration's attempt in 1971 to stop the New York Times from printing the Penta-

the key principles for making an H-bomb. The government case in its civil suit against the Progressive was that, while U.S. weapon proliferation

■ The Nuclear Regulatory Commission this week ordered a Teunessee nuclear fuel-making plant to close, after the discovery that enough enriched uranium, to make at least one bomb was unaccounted for

## Air Canada 'failed to spot crack' (ie, percentage shareholdings are generally less than 50 per cent). Financial ties, however, are likely to extend well beyond

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

AIR CANADA failed earlier this rear pressure-bulkhead blew immediate strengthening of the year to spot a fatigue crack in out.

PRESIDENT LOPEZ PORTILLO'S VISIT TO WASHINGTON

The Senate this week passed a Budget resolution of \$546.3bn, with a deficit of \$31.6bn. The aircraft, a DC-9-32 twin full inspections every 4,000 pressure-bulkhead, and had disjet airliner, was flying from cycles (one cycle being a take-covered signs of a small crack Boston to Nova Scotia when its off, flight and landing), or an beginning.

the aircraft which suffered failure of its rear pressure-bulk-head in flight last Monday, the airline admitted yesterday. The crack was in the area which craft, it had issued an Air-last May, but had failed to spot crack was in the area which failed.

The Federal Aviation AdminiAir Canada, which chose to stration said that three years make regular inspections, admittance, and inspected the vital possible failures of the rear area in the aircraft concerned pressure-bulkhead in those air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May, but had failed to spot craft, it had issued an Air-last May but had failed to spot craft, it had issued an Air-last May but had failed to spot craft, it had issued an Air-last May but had failed to spot craft, it had issued an Air-last May but had failed to spot craft, it had issued an Air-last May but had failed to spot craft, it had issued an Air-last May but had failed to spot craft, it had issued an Air-last May but had failed to spot cr

of the industry. Toyota and Nissan are not the only two Japanese motor manufacturers who have formed "families" of components "families" of components makers. To some extent all of Japan's motor assemblers have done the same thing, but with different degrees of intensity or enthusiasm.

The basis for close family relations between motor assemblers and parts makers is not simply traditional sales ties or the provision of finance by the

former to the latter. Led by Toyota, most of the Japanese assemblers have placed heavy stress on cutting costs by reducing the quantity of stocks held within their plants to an

absolute minimum. The complexity and close-ness of relations between assemblers and component makers explains why imports account for only one per cent of the total value of compo-

nents and accessories used by the Japanese industry. The figure would probably be lower still had not several western countries, including the U.K., begun active components sales campaigns in the past few years, in some cases using political pressure to back up straightforward sales promotion

efforts. Opinions differ within the Japanese motor industry on whether foreign components may eventually account for up to 10 per cent of the total value of Japanese cars, or whether a limit is likely to be reached at about 2 to 3 per cent.

A point on which opinions do not differ is that much may depend on how fast the motor About 7 per cent by value of the contents of Japanese cars consisted of electronic parts in 1978, but the trend is towards micro-computerisation of many functions that used to be performed mechanically.

Foreign manufacturers who can equal or exceed Japanese progress in computerisation should be asured of markets or at least of offers to buy their technology.

## Brussels proposes tough product liability rules

be liable for damages caused by defective products whether or not the defects are caused by their negligence, under proposed new Common Market rules on product liability.

The proposals, announced yesterday by the EEC Commission, would make a "producer" totally responsible for his products up to 10 years after the year they go on sale, and would require him to prove that his product was not defective. rather than leaving it to the consumer to prove that it was. Should he lose his case, the producer would be liable for of discovering the defect. damages up to 25m units of

identified, the supplier would pressing for this amendment, become responsible unless he but the other Commissioners disclosed the identity of the sided with Mr. Richard Burke,

the case of imported goods, the importer would become liable. The proposals represent a

Financial Times Friday September 21

defeat for both industry and the European Parliament, which ceedings, and would encourage had sought to shift some of the burden of proof back on to the consumer. A crucial amend-ment to the Commission's original proposals introduced by the Parliament would have exempted manufacturers who could prove that, in the light of scientific development at the time they put defective goods on the market, they had no way

Viscount Etienne Davignon. the Industry If a producer could not be supported the Parliament in but the other Commissioners

EUROPEAN manufacturers will company who supplied him with the Consumer Affaits Commisthe defective product. And in stoner, who rejected the amend-the case of imported goods, the ment. He claimed it would shift the burden of proof back on to the consumer who would be less able to afford court promanufacturers not to reveal publicly results of their research.

However, other amendments proposed by the Parliament, including an exemption for farm products and handicrafts, were adopted by the Commission The proposals have been

passed on to member governments and will ultimately be debated in the Council of Ministers. But this could take a year or more and it is widely expected that the proposals will be substantially watered down before the Council approves

### Peking offices for Japanese

BY OUR FAR EAST EDITOR IN TOKYO

the granting of similar facilities in Tokyo to Chinece state trading corporations.

About 50 Japanese companies will be allowed to station executives in the Chinese capital for one-year periods (instead of on three-month visas as has been the case up to now). The companies will be allowed to describe their Peking presence as "representative offices" even though the men concorned will Finance and the Bank of China be operating out of hotel rooms and will not be permitted to employ Chinese staff to assist

A severe shortage of office space and of qualified office workers is said to be the reason for these restrictions.

About 80-100 Japanese com-

panies are said to have been attempting to get permission to open Peking offices. The Chinese other major cities.

AFTER a long delay China has are expected to choose "friendly agreed to allow Japanese com- companies from this list and to have been trying for some years panies to open representative pass over others which are offices in Peking in return for regarded as being less well disregarded as being less well disposed towards the People's Republic. Each company will probably

be granted visas for two executives, making a permanent Japanese busness Presence in Peking of about 100. Chosen companies will include the major trading bouses and the big steel producers. Banks will not be on the list since the Japanese Ministry of

are conducting separate negotia-tions on a reciprocal exchange of bank branches

facto basis which involves the that has happened up to now. continual rotation of executives The British trading concern, on short-term visas. One major Jardine Matheson and Co., concern currently has eight opened a Peking office early this short-stay visitors in Peking and year with a permanent staff of

Japanese trading companies to convince the Chinese that their networks of overseas branches could be used to help promote the sale of Chinese products to third countries.

This suggestion was "roughly rejected" when first made two years ago, according to one trading company executive. In August, however, a senior Chinese official asked for help in the promotion of Chinese exports from a 14-member trading company mission headed by

the president of Sumitomo Japanese companies will not be the first to obtain permission from China for the opening of Most of the bigger Japanese Peking representative offices, trading companies are already even though the numbers represented in China on a de involved may exceed anything

#### Holland in contract to buy Polish steam coal

BY CHRISTOPHER BOBINSIE IN WARSAW

A CONTRACT for the annual supply of 600,000 tonnes of Polish steam coal to the Netherlands in the years 1980-1990 was for the development of the signed yesterday in the presence of the Dutch Prime Minister, Mr. Andreas Van Agt who is on an official visit here.

The contract, worth around \$24m a year at current prices, was signed between Steenkolen Scheepvaartmij (SSM) of Rotterdam and the Polish coal trading company Weglokoks.

the amount involved is equivalent to about 15 per cent for a period of 10 years. Last of Dutch steam coal consump year Polish exports to Holland tion and the coal will be used were worth \$131.6m while fire two power stations imports stood at \$333.2m.

which are yet to be built. The deal is accompanied by a commercial loan worth \$60m Polish coal industry which is being provided by Dutch banks including the ABN bank of Amsterdam and it is guaranteed by the Dutch Government.

The financing is to be available on the first of next month and is to be repaid over the

In 1976 SSM contracted to take 750,000 tonnes of coking also announced that goods im-coal imports from Poland a year ported from France in future

#### imports of French cars By Godfrey Grima in Valetta MALTA HAS stopped the im-

Malta curbs

porting of French cars in what appears to be a hardening trade exchange dispute with France. A shipment of cars which has already arrived on the island has not been allowed to leave customs, while Government officials are refusing to indicate whether the ban is permanent or not. The Government has must be covered by a Trade Ministry licence.

The Maltese measures follow French restrictions on Maltese wine imports. Malta apparently started exporting wines to France this year which explains why no figures are yet available.

On the other hand Malta imports about 500 cars a year from France at a cost of roughly Malta (£125,000).

In a bid to maintain a healthy balance of payments. Malta is taking a hard look at its imports bill. Other than taking over the importation of 14 essential commodities, the island's Ministry of Trade is restricting the im-portation of various goods.

In a statement issued yester-day the island's Chamber of Pharmacists complained that of certain medicines, shampoos and toothnastes was creating shortages. Last year the island imported close to £M300,000 worth of toothpaste and sham-

#### **EEC** ships plan approved BRUSSELS - The European states and the European Parlia-Commission announced yesterment for "extensive debate." day that it has approved a "Italy is being flooded by steel "scrap-and-build" programme to imports from other EEC

rescue the EEC's ailing ship members and from countries building industry. The cost of the plan is esti-

mated at \$400m for two years. Its general aim is the demolitio of old ships totalling about 2m tons and the construction of new ships amounting to about 1m tons. The plan is aimed at saving

from 50,000 to 80,000 tons in shippards and other industries. It would raise the Community's shipbuilding output from a pro-jected 2.4m tons in 1981 to 3.4m tons.

The project will now be sent to governments of the member Agencies

outside the Common Market, the Italian steel industry association, Associazione Indus-trie Siderurgiche Italiane, (ASSIDER) said. Imports in the first half of this year averaged 560,000 tonnes a month, exceeding the

high levels of 1976 and 1977 when imports averaged 540,000 tonnes per month.

The pressure of imports on the Italian market remains

heavy, with a sharp increase in August in steel imports from socialist countries, ASSIDER

poos, mainly from Britain.

#### ● NEWS ANALYSIS-BY HAZEL DUFFY

## Bearings battle resumes

sensitive matter, particularly when it has been told by the ment was too severe on a previous case:

Armed with greater powers, which were granted under reguine dapanese set mer sights on in the 1960s, and that if any relaxation in the battle policy is allowed, they will resume the Soviet Union, Poland and Romania are also and the set of the gated this time. This investigation comes three

facturers have also had some success in getting their prices up over the past year from the high-volume ball bearings range, very low levels with which they the Japanese may well already had been stuck.

any suggestion that the matter standard products tends to set might be better left alone at the pricing for the rest of the the moment. From evidence range that manufacturers must collected from the manufact offer if they are to stay in turers, it believes that the business.

domestic market. when it has been told by the In the supply of bearings to European Court that its treat- particular sectors, FEBMA main-

tains that the Japanese continue to have a very damaging effect. More generally, the feeling persists that the bearings indus-

size on the standard bearing. It is a highly capital intensive EEC market in smaller (up to ingly the three Comecon 160 mm diameter) bearings has countries as well, are eating fallen from 22 per cent to 13 per into their standard products cent. Most of the major manuwhich form the "base load" of the industry. Indeed, in the very small,

have a dominant position in the But FEBMA (the federation EEC. Furthermore, the argu-

AN ANTI-DUMPING investiga. Japanese are selling these beartion against Japan by the Euro- ings at anything from 15 to 65 shown little or no growth since pean Commission is a very per cent below the level on the 1974, most of the large companies which dominate the EEC have been forced to undergo rationalisation and the Japanese industry has also contracted. In this highly developed inter-

national industry, individual companies have become increasingly disinclined to shout too loud about Japanese pricing. But it has always emphasised that it is not seeking protection. only fair competition. The East European threat,

meanwhile, has been growing. From an import penetration into the EEC of 3.7 per cent in 1974, the Soviet Union. Poland and Romania now have a years after the last. During that industry and the argument is 6.3 per cent share of the smaller that the Japanese and increas (up to 160 mm) hall hearings (up to 160 mm) ball bearings market. They have been particularly successful in France, where they had 8.3 per cent of the market in 1978. Ball and roller bearings are classically described as being

used in everything that moves and flies. Quite apart from its industrial importance—the UK market, for instance, is valued of trade associations) rejects ment goes, the pricing of the at over £200m—they have a any suggestion that the matter standard products tends to sot strategic consideration as well, a point which the European Commission has obviously borne in mind in going ahead with the investigation.

## Mexico stands up to 'big brother'

BY WILLIAM CHISLETT IN MEXICO CITY THE MEXICAN President, Sr. Jose Lopez Portillo, visits the



President Lopez Portillo

ing world's fastest growing, oil- to pay only \$3.50.
rich economies Talks broke down at the end There will be little pomp and ceremony attached to the visit. Department vetoed the price In contrast to President Carter's agreed between Pemex, the

making an official, not a state, visit. feet a day at \$2.50 per thousand
Privately it is said that the
reason for the lack of fanfare
surrounding the trip is that both
sides wish to tone down the
importance of such machine each other's throats and that visit. This ended the war between importance of such meetings. the two countries in 1848 and Mexican officials, in particular, feel that every time their

President meets the U.S. Presi-

dent public expectations are raised too high and the Press Sr. Lopez Portillo meets beats the nationalistic drum President Carter in Washington excessively. The meeting in February on September 28 to review the brittle state of relations between between the two heads of state ments have been given a chance the world's most developed highlighted the countries' to find a solution.

nation and one of the develop- differing perceptions of the

relationship between them. The a trigger price mechanism, which U.S. wanted to discuss such would limit the quantity of matters as oil and gas sales and Mexican produce into the U.S. U.S. wanted to discuss such matters as oil and gas sales and the problem of illegal Mexican immigration; the Mexicans wanted discussions of details to be prefaced by a fundamental declaration that their neighbours saw them as equals.
Sr. Lopez Portillo gave Mr.
Carter a public dressing-down for the U.S.'s "big brother"

Nationalisim has dogged important aspects of economic relations. Agreement has been reached, after 21 months of bitter recriminations, on the amount of gas which Mexico can export to the U.S. but there is still haggling over the price, which is unlikely to be ironed out next week.

Mexico can make available 300m cubic feet a day, starting at the end of the year, but is demanding \$3.75 per thousand cubic feet. The U.S. is prepared

of 1977 when the U.S. Energy Mexican state oil monopoly, and To judge from the Mexican journey to Mexico in February, Mexican state oil monopoly, and Press one would think that the Sr. Lopez Portillo will be U.S. gas companies. Then it was intended to export 2bn cubic

> Mexico is still insisting that gas be given its "right price." Another sensitive issue is the complex problem of tariffs. Florida tomato growers have brought dumping charges against Mexican growers, but have agreed to put off the charges until the two govern-

One option under discussion is

when the market price fell below a certain level. But the fact remains that the U.S. is Mexico's natural client,

taking 70 per cent of its exports (including 480,000 barrels of oil a day) and originating 60 per cent of Mexico's imports.

Several million Mexicans are living and working illegally in the U.S. There is no other

country in Latin America to which the U.S. is so inextricably There have been efforts to improve relations on the politi-

cal front since February. The U.S. recenly appointed a special ambassador for Mexico over and above its ambassador here and the Mexican Foreign Ministry has created a North America section. Since February, eight commissions have been working to deal with the different issues.

The two nations may not be much closer to understanding each other, but the U.S. is at least more aware of the need f or rapprochement. If he wants to be re-elected. President Carter cannot afford to ignore the increasingly powerful Hispanic lobby at home.

Lopez Portillo's first visit to the U.S. in 1977, shortly after Mexico had devalued the peso by 80 per cent. Now his country, outside the Organisation of Petroleum Exporting Countries, and with the sixth largest proven oil reserves in the world, is in a

position to demand better treat-

Certainly the atmosphere will

be different from President

The structure of the Japanese motor components industry, by Dodwell Marketing Consultants. Price 65,000 yen (£135).

四山山山山

## tough THE FXECUITY SALOON FOR THE MAN WITH DRIVING AMBITION.

If you're a man of driving ambition, we present the perfect solution: the Lancia Gamma Berlina.

A test drive will prove to you or your chauffeur that it is the car capable of satisfying the driving instinct in the most demanding of motorists.

Beneath the bonnet is a powerful 2.5 litre engine which combines with a five speed gearbox to give impressive acceleration, leading to a top speed of over 120mph. While power assisted steering helps the Gamma Berlina handle like a car half its size.

The interior is extraordinarily roomy. Thick carpet is fitted door to door. And the seats, complete with

thickly padded and covered in an elegant cloth fabric.

Naturally there are some impressive executive touches. Like electrically operated windows, a driver's seat that adjusts for both height and tilt, and an adjustable steering column.

Naturally too, there's the renowned Lancia front wheel drive for rocksteady handling and roadholding, and dual system brakes for exceptional stopping power.

You might think that such a wellengineered, well equipped car would,

like some of its lesser rivals, carry a wickedly high price tag. On the contrary, the Gamma Berlina offers

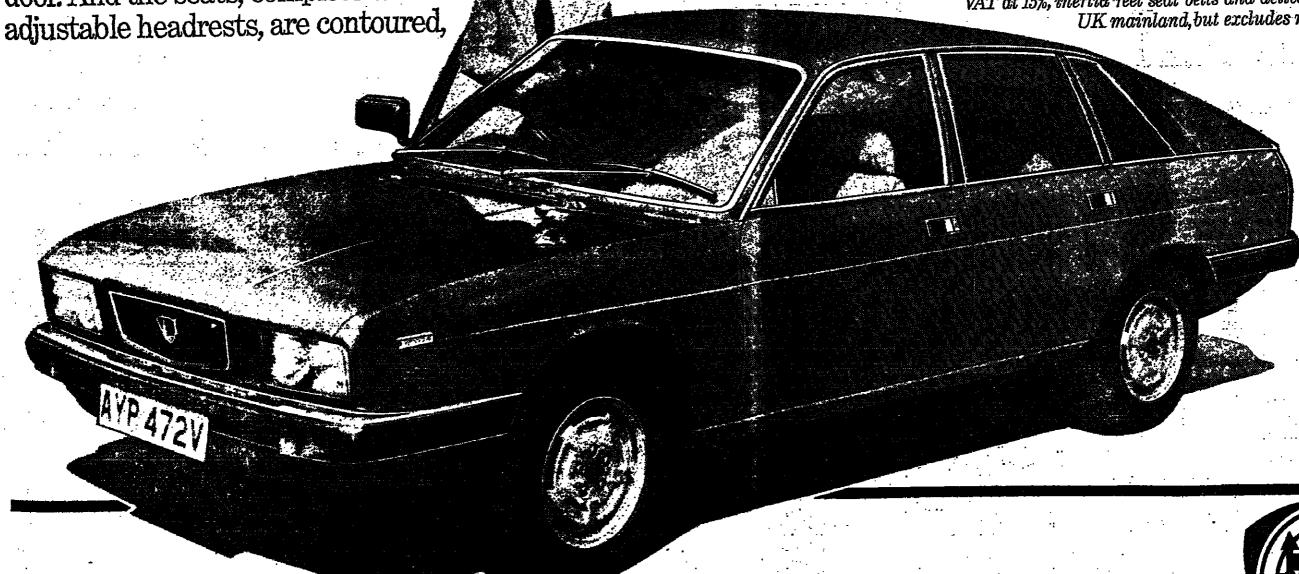
you luxury you can afford. (You might tell your financial director, too, that the new 12,000 mile servicing intervals practically halve the servicing costs.)

You, or your chauffeur, can test drive the Gamma Berlina at your Lancia dealer. At the same time, ask him about our special leasing schemes. Or if you are eligible to purchase a Lancia free of taxes. contact our Export Department.

## The most Italian car.

Lancia (England) Ltd., Alperton, Middlesex. Tel: 01-998 5355 (24 hour sales enquiry service).

\*Price correct at time of going to press, it includes car tax, VAT at 15%, inertia reel seat belts and delivery charges on UK mainland, but excludes number plates.



The Lancia Gamma Berlina. £7,949.66\*



resume

Milali

## Councils told: No more cash

BY PAUL TAYLOR

Environment Secretary, said yesterday there would be no more cash" to finance continuing increases in local authority expenditure.

In a tough speech to council leaders at the Joint Local Government Associations Biennial Conference in Scarborough, Mr. Heseltine said he would be asking local authorities to produce quarterly manpower figures.

Despite continuing warnings from some local authorities about the effects of planned spending cuts next year, Mr. Heseltine's tone, when referring to the Government's public expenditure plans, was uncompro-

Shore attacks

Western governments are

West over

creasing demand.

monetarism THE MONETARIST policies of

MR MICHAEL HESELTINE, ment did not intend to exceed

Rejecting suggestions, including those from the metropoli-tan authorities, that planned spending cuts could result in a freedom to determine their own drastic pruning of services-or rate increases of over 25 per cent-Mr. Heseltine said these rumours represented a "well orchestrated and possibly exag-gerated protest."

Paper expenditure figures for 1980-81 by 5 per cent, Mr. June 1978 and June 1979. Heseltine said that, following Because of this continuing upspending cuts of 3 per cant this ward drift, he would be asking year, the plauned cuts in 1980-local authorities to publish 81 represented only a further 1 quarterly manpower figures on per cent reduction in actual

controlling capital expenditure, to make it more effective while giving local authorities more

priorities with cash limits. The key to overall local government expenditure is, however, now seen by the Govern-ment to be control of manpower

Although the Government Mr. Heseltine said the latest has asked local authorities to reduce local government White showed that staffing levels had increased by 2 per cent between quarterly manpower figures on a uniform basis for all individual authorities.

Mr. Heseltine said he would lead to a reduction in the ser-like to reform the system for vices local authorities are required to provide by central

> Mr. Roy Hattersley, the Shadow Environment spokes-man, immediately condemned the "bland figures" used by Mr. Heseltine and predicted that average rate increases in urban areas would be over 30 per cent next year.

Mr. Hattersley told Labour council leaders that he would back them if they chose to ignore Mr. Heseltine's demands for expenditure cuts. He said it was up to individual local authorities to decide whether to cut services or to increase rates.

Mr. Hattersley promised that the Labour Party would fight any attacks on local autonomy The Government had set spending.

spending targets for 1980-81 "However you represent The Government is also to any attacks on local announced, and targets for 1981 onwards that, you cannot add it up to complete a revew within six and would oppose the planned would be announced shortly. more than 4 per cent over two months of all local authority Local Government Bill, due to statutory functions. This could be published this autumn.

## Government withdraws backing for energy-saving centres

BY PETER O'CONNELL

social evil which will put all our DEPARTMENT socieities, advanced and developing alike, under intense strain." according to Mr. Peter Shore, launched a fuel-conservation campaign, is to withdraw its Shadow Foreign Secretary. support from a £500,000-a-year Mr. Shore, who was giving a lecture last night in Pennsylscheme designed to save housevania, U.S., said that with high

unemployment and reduced world growth, these policies would lead to "beggar-my-neighbour economic policies, to Building Centres that, because antagonism between trading nations of the most dangerous of public spending cuts, the Government could no longer Government could no longer The Department of Energy said it had planned nearly 100 centres the association was to have set up. kind and to a still more perilous north-south rift between the developed and developing countries.

NOTICE OF REDEMPTION

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**Debentures Due 1985** 

NOTICE IS HEREBY GIVEN, pursuant to Section 3.01 of the Indenture dated as of October 15, 1970 between Holiday Imps. Overseas Capital Corporation and Holiday Imps. Inc., Guarantor and Bank of America National Trust and Savings Association, Trustee (the "Indenture"), \$230,000 principal amount of Holiday Inns Overseas Capital Corporation 8% Convertible Subordinated Guaranteed Debentures due 1985 (the "Debentures") have been called for redemption on October 15, 1979 (the "Redemption Date") through the operation of the Sinking Fund at 100% of the principal amount thereof, together with interest thereon at the rate of 8% per annum to the Redemption Date, Pursuant to Section 3.04 of the Indenture, the Trustee has selected for redemption on October 15, 1979 the following Debentures to wit:

\$1,000 COUPON DEBENTURES, EACH BEARING

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The Debentures must be accompanied by all interest compons appurtenant thereto maturing after October 15, 1979.

Interest on Debentures so called for redemption shall cease to accrue from and after October 15, 1979, and the interest coupons appartenant thereto maturing after said date shall be void.

The right to convert the above designated Debentures into Common. Capital Stock of the Guarantor shall expire at the close of business on the Redemption Date. The current price for

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rdam, Netherlands

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Bank of America NT & SA Main Office Brussels, Belgium

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At the same time, Prince bilip, sponsor of the Philip, sponsor of the UK conservation programme, He said socialists had been feeble in defending the alternative Keynesian policy of inannounced the Government's contribution to an international

of conservation month being run pool next month-were in jeoyesterday

be worthwhile if it can encourage governments and both industrial and private conhold energy consumption. industrial and private con-Mr. John Moore, Under-Secretary of State responsible and to face the inevitable con-fer energy conservation, told sequences of the increasing cost for energy conservation, told sequences of the increasing cost the National Association of oil and gas as supplies of these forms of energy begin to run out."

efforts to stimulate greater public awareness of the continuing and long-term need for energy conservation."

Although October has been esignated conservation month, the events begin now and con-tinued until late November. While the Department was outlining the local conferences, exhibitions and competitions. the association learned that its energy-saving advice centresthe first two of which were due to open in London and Liver-

pardy. Mr. Lloyd McLean, associational Energy Agency.

Mr. Lloyd McLean, associaHe said: "The month will tion chairman, met Mr. Moore yesterday in an attempt to pro-duce a compromise.

Mr. McLean said: "We put a lot of time and effort into planning the new centres but it was clear the Government in no way was going to finance them. It's very odd that it does this on the eve of conservation month."

The energy-saving advice centres were to help consumers on loft insulation and other conservation measures following an agreement last year between the association and Mr. Anthony Wedgwood Benn, the Energy Secretary.

The Government had a sixmonth contract, costing £75,000, to pay four technical staff and two clerks in the two centres. They started work in July compiling information.

The centres were to be the forerunners of 12 more through-out Britain, costing £500,000 a

### 'No changes needed' for nuclear safety

BY DAVID FISHLOCK, SCIENCE EDITOR

A SAFETY review of the UK the public was paying for stan-Atomic Energy Authority's dards 10 times as high as in nuclear reactors in the light of other industries, he said. the U.S. accident on Three Mile Island last March showed that on research and development in no significant changes in operanuclear systems in 1978-79, of tion needed to be made, the which about £52m was for work authority said yesterday.

Sir John Hill, its chairman, complimented the U.S. Govern-

said. One was that each new nuclear design had to be studied very carefully — not only to ensure that the operator had all the information he needed for normal conditions. but also that he had all he needed for "upset

Press conference in London. He warned of the cost of demanding standards of safety from the nuclear industry greatly in excess of those of other British industries. Already

The UK authority spent £150m on) the fast breeder type of reactor. It earned an income of £15.3m from research contracts ment's regulatory authorities for non-nuclear work from other for their "openness" in disclos- organisations. In addition, the ing their findings from the Energy Technology Support accident.

Unit of the Department of As a result, Britain already Energy, based at its Harwell knew the main lessons to be laboratory, is managing non-learned from the accident, he nuclear energy projects totalling:

£13.3m. • A public exhibition of nuclear power was opened in-London yesterday, at Central Hall, Westminster, by Sir Jack Rampton, permanent secretary to the Department of Energy. He said that for Britzin to Sir John was presenting the believe that it could manage UK AEA's annual report at a without a sizeable contribution from nuclear energy was "very high risk thinking." The exhibition, sponsored by

the British nuclear power indus-try, is open to the public until October 4.

#### **Private sector pushes** up building orders

BY MICHAEL CASSELL

work placed during July were and 10 per cent up on May-July worth £936m at current prices, a 1978. 2 per cent increase on June figures, according to the Depart-ment of the Environment. Orders, when expressed in constant prices, rose by 11 per

The DOE says the value of new public sector housing work taken on between May and the from the preceding quarter-

NEW ORDERS for construction value than the previous quarter

The value of public works contracts in the three-month period was 13 per cent down on the previous quarter but 4 cent during the three months per cent up on May-July last to the end of July-4 per cent year. Orders for private industhigher than the same period last rial construction work were 27 per cent up on February to April and 22 per cent better than a year ago.

Private commercial contracts end of July fell by 8 per cent placed with construction companies were 21 per cent higher and by 29 per cent from last than in the previous quarter year. Private housing contracts and 12 per cent up on the same were 52 per cent higher in period last year.

#### Westminster may allow advertising on parking meters

By Maurice Samuelson WESTMINSTER CITY Couneil yesterday became the first authority in Britain to agree in principle to allow advertising on parking meters.

It is considering a plan which could eventually raise

£50,000 over three years from about a third of the 10,000 meters under its control. This is small compared with the £17.4m fed into its meters since they were first installed 21 years ago. But the council said that in present economic conditions, the extra revenue was "not to be succeed at."

The idea has been approved in principle by the council's bighways and works committee and it will go out to tender once it is approved by

the council's engineers.
The Westminster decision will be watched closely by the advertising industry. But there was some confusion yesterday over who would have the final

The Greater London Council, which gives boroughs guidelines on metr charges and locations, said it regarded the Government as the "over-lord." The GLC had always opposed using meters for advertising on the grounds that there was enough to read on them already.

Surprise

The Transport Department, however, refused to be drawn into the dispute and said the into the dispute and said the decision was entirely up to the local borough. Unless the department received representations from a responsible body, such as the GLC, "we'd just let them get on with it."

There was surprise, too, at the Halifax headquarters of Fisher Karpark, a leading sup-Fisher Karpark, a leading supplier of meters in the UK and overseas. "We were under the impression that there is legislation preventing adver-tising here, although it is done

on meters in Holland and France," it said. Westminster, which intro-duced Britain's first parking meters, has discussed putting advertisements on them since 1967, but has always rejected the idea on principle. Some schemes were turned down because they involved putting

plaques or heods on the

Its agreement in principle is for the use of plastic stickers on the space-measuring about 2} inches by 4 inches-under the instruction plate.

• In the whole of Greater London there are 38,500 Birmingham and meters: Edinburgh have more than chester and Leeds about 2,000; Liverpool and Bristol about 1,000.

#### **Transport** police losing fight'

BRITISH Transport Police said vesterday that it has only 1.864 men to patrol the country's railways and docks and the London underground, while vandalism has reached unprecedented proportions.

Although recruiting is said to be improving slightly, the force is still 450 short of establishment.

The figures were given after Mr. Eric Haslam, chief constable of the transport police, had said his force was "losing the fight" against hooligans who placed obstacles on the track or threw missiles at passing trains. In the last issue of the British

Rail house magazine, Rail News, he wrote "the most that can be done is to contain the situation and hope for some improvement as a result of an educational approach to young offenders who are mainly resecond hair or the second hair or the second hair or the second hair of this year. It is stantial investment, according to a report by the British was found that 55 per cent of them were investing in increased capacity.

The report, published yesterday, was based on a survey of the survey found that suppliers of polymers—plastics raw materials—were the least optimistic of those questioned. sponsible for railway vandal-

Mr. Basil Nichols, assistant chief constable in charge of operations, said his men were patrolling trouble spots in lone locomotives in radio contact with squad cars on nearby roads. Many offenders were children, often seven or eight year old. British Rail said its total

security bill was £5m, of which £2m went on manpower and in-

## British Shipbuilders' work criticised by Poles BY IAN HARGREAVES, SHIPPING CORRESPONDENT

£115m order for Poland.

The charges are made in a far delivered had been "to con-polish newspaper, which circu-tract," although "force majeur"

schedule and that poor equip-ment performance has led to "two thick files" of correspondence with the Govan shipyard. which is building most of the It quotes a Polish sea captain. who recently took delivery of

one of the Govan ships. He says that by the end of the ship's third voyage, 27 major repairs British Shipbuilders appeared

surprised yesterday at the Polish Press ouslaught,

BRITISH SHIPBUILDERS has although its acknowledges that of pounds, although the precise been accused of "negligence, bad several of the ships will be workmanship" and late delivery of the ships in its controversign december 31 deadline. It said that all five ships so

lates in the region where the claims had caused slippage on customer, Polish Steamship is the original dates. Several claims of force majeur—this The report, headed "Disil- refers to the system under which lusioned," sals that the 22 yes- a main contractor is compensels are months behind sated for delays caused by a subcontractor-related to late delivery of Polish equipment. There had been no problems with quality, the corporation maintained, and all vessels had met stringent Polish classifica-

tion standards. This latest outbreak of trouble over the Polish order is of most interest in assessing whether British Shipbuilders will have to make heavy penalty payments for late delivery.

The contract has already cost the Government many millions.

bill is not yet known.

Last-minute wrangies between shipowners and shipbuilders about who is to meet the cost of late delivery are common, but this dispute has an extra dimension in that the ships are to be owned by a joint venture company in which British Shipbuilders has a 50 per cent stake.

British Shipbuilders said lateness in delivery had been caused by a wide variety of small problems inside and outside the business. Recent industrial action over the corporation's restruc-turing plan had caused little delay and the current engineer. ing dispute was not affecting shipyards, it said.

About 10 per cent of the equipment for the 22 ships is being supplied from Poland. The piggest recent problem has been propellers. which are

## Campaign to compel Channel ships to carry expert pilots

SHIPS USING the English Filots would help to ensure that plng industry is still rejuctant to admit that safety lessons can carry expert pilots if a campaign by English and French The Government has resisted to systems. pilots is successful

tions of the two countries will grounds that it would not be today hold the first meeting of cost effective or make a signifi-the Franco-British Maritime cant impact on the safety prob-Pilots Liaison Committee, whose lem. object is to improve safety in the Channel

Recommendations Commission on the Prevention systems.

particularly up to the mark, yesterday that the world ship-

previous calls for compulsory The national pilotage associa- pilotage in the Channel on the

y in The pilotage committee also intends to look at changes in will navigational technology and in eventually be put to the Royal ship-to-shore communication

of Pollution.

Many ships going through the Marine Insurance annual conference without pilots were not ference in Edinburgh was told

But although there is no accepted standard in traffic separation systems, progress on safety is being made on the technological front. For example, a new development in reder allows for the automatic disclosure of a ship's identity to any interrogator using the appropriate frequency. Simply by interrogation by the radar echo selected the ship or a traffic officer can be provided automatically with the call sign. position and heading of another vessel, the conference was told.

Unit trusts

fare better

in August

UNIT TRUSTS fared slightly better in August than during the

previous summer months, but

the overall picture is still

unexciting Figures released pesterday by the Unit Trust Association

showed that August repurchases

(units cashed in by investors)

were down from £25.6m in July to £21.5m, with sales a little

better at £81m (£29m). Net

sales last month amounted to

Unit trusts have been through

a lean period this year with net

new investment at its lowest

Mr. Edgar Palainountain, a

former chairman of the Unit

Trust Association and chairman

of the M and G Group, said the

latest figures were unexciting.
"The fall-off in repurcases.

however, gives some ground for

supposing that what we said earlier in the year about people cashing in units in advance of

Mr. Palamountain warned

that the level of not sales would

the VAT increase was right.

equity market picked up.

Banks link

for pension

point for some time.

## Benefit increases for the lower paid

INCREASES IN rent rebates, rent allowances and rate rebates. worker with two children; earnare to be introduced in ing £60 and paying a rent of November, with extra benefits £6.50 a week and rates of £2 for those at work.

Will receive housing benefits of

He said that because of

per cent compared with 1972 benefits. The scheme is adminvalues. A similar fall had occurred for rate rebates. tive for the low paid to remain ment. in work. The Government proposed to restore the value of rebates and allowances for those in work to 1972 levels.

The extent of allowances or rebates depends on family size, accommodation thought to be income and expenditure on eligible for rent rebates and rates and rents and is calculated against a notional needs allowance for each family size. However, from November the However, from November the About 2.7m people are first £5 of earned income will thought to be eligible for house

benefit for working people on be £62m in the current financial low incomes. The policy is in year. line with the Government's concern about people within the £685m so-called "poverty trap" who rebates.

increase in sales during the second half of this year, and they are backing this with sub-

expected an improvement in

Plastic goods makers

forecast sales increase

raw material suppliers as well optimistic of those questioned. as plastics processors. A total Since the beginning of this year of 53 per cent of the companies raw material prices have risen

Mr. John Stanley, Minister £7.07 a week compared with the for Housing and Construction £3.47 he currently receives and announced the increases the £5.42 he would get if unemployed. Rent rebates and allowances inadequate increases in 1977 and rate rebates can be claimed and last year the average rent by people in both private and £9.4m, compared with £3.8m.

The increases mean that a

rebate or allowance for those in public accommodation except in July and £9.1m in August work had fallen by about 20 those receiving social security last year. istered by local authorities although the bulk of funds are This had produced a disincen- provided by central govern-There has been concern that

a number of people eligible for housing benefits have not been claiming them. Last year only 55 per cent of people in private accommodation thought to be allowances actually claimed. In the public sector the take-up was 80 per cent.

be ignored when calculating ing benefits and the Govern-rebates and allowances. ment estimates the gyra cost of ment estimates the extra cost of This will provide an extra providing the latest increases to

It is not expected that the who rebates, allowances and rate find themselves worse off by rebates. will need to remaining at work.

per cent of these said they were undertaking capital spending in the second half of this year. It

sharply in line with increased

#### fund venture THE CO-OPERATIVE Bank and S.G. Warburg, a leading firm of

merchant bankers, have com-bined to lavnch an investment management service for pension funds called the Co-operative Investment Management The immediate sim of the venture is to provide pro-fessional investment manage-UK PLASTICS goods manufacturers are confident of a steady panies surveyed—63 per centurers are confident of a steady panies surveyed—63 per centurers are during the were plastics processors and 90 per centure of these said they were

ment for the pension finds run

by the retail co-operative societies and by trade unions. But the service is available to The services are being divided any pension scheme, within the new company. The Co-operative Bank will be res-ponsible for fixed-interest inestment and Warburg equity investment—both and overseas and property investment. But the advice to funds on the split of assets between fixed-interest and equities will be given jointly. The Co-operative Bank will in almost all cases introduce the service to societies and trade

unions, since invariably it pro-

#### Compensation for savers

vides the banking services.

COMPENSATION worth some £2.25m is now being paid to 750,000 people whose National Savings payments were delayed

as a result of industrial action earlier this year. Payments of more than 50p will be made automatically in respect of all services, except the National Savings Bank Account. Claims are required for smaller sums although the Department hopes that not too many will be made, because of

lained it discriminates in an is expected to to oil operators to help offset UK sector from 40 per cent in The compensation no security of British industry.

Sir Jack, who apologised to interest charges on UK bought 1974 to 66 per cent (worth calculated at 17 per cent and will be free of tax.

\*\*E1,037m\*\* in 1978.\*\* the high administrative cost.

## sales during the second half of oil prices but it was found that 1979 and 56 per cent forecast an increase in turnover in the first six months of next year. analysy in the with increases of prices but it was found that 70 per cent of plastics pre-increase in turnover in the first cessors believed they would be able to cover their higher costs. Civil servants' oil payment 'a serious error'

BY RAY DAFTER, ENERGY CORRESPONDENT

without proper authority, and outside specified guidelines, they were generally in line with the Government's intention to give British industry a full and fair opportunity to establish itself in

SIR JACK RAMPTON, permanent secretary at the Department of Energy, told Offshore scheme designed to help British these circumstances he could supplies Office staff that civil supplies win North Sea orders not see how the sweeping the incident they would be fully against competition from other accusations about making about Departmental At least £52m—and perhaps reprimands, told staff that while more than £100m—of this total they must learn lessons from has been wrongly authorised. It was pointed out within the offshore industry vesterday that

said most wrongful payments arose because civil servants allowed applications to qualify outside the time limit originally included in the guidelines. This time limit was sub-

the administration of the scheme, which is to be wound

favour of British industry. sequently extended on the the committee for giving wrong equipment and services.

Supplies Office staff that civil suppliers win North Sea orders not see how the sweeping against competition from other accusations about "waste of countries which benefited from public money" and "losses"

North Sea oil companies made their own export credits could be made.

"a serious error of judgment" schemes.

Both the Commons public ments had been made prior to might well have lost orders accounts committee and the control of supported by the Department.

He added that it was to be if the grants had not been deplored that it was to be if the grants had not been ments had been made prior to might well have lost orders accounts committee and the control of supported by the Department.

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The added that it was to be if the grants had not been made prior to make the prior of Department are investigating accounts committee being pub-pounds. lished and the committee's findings reported.

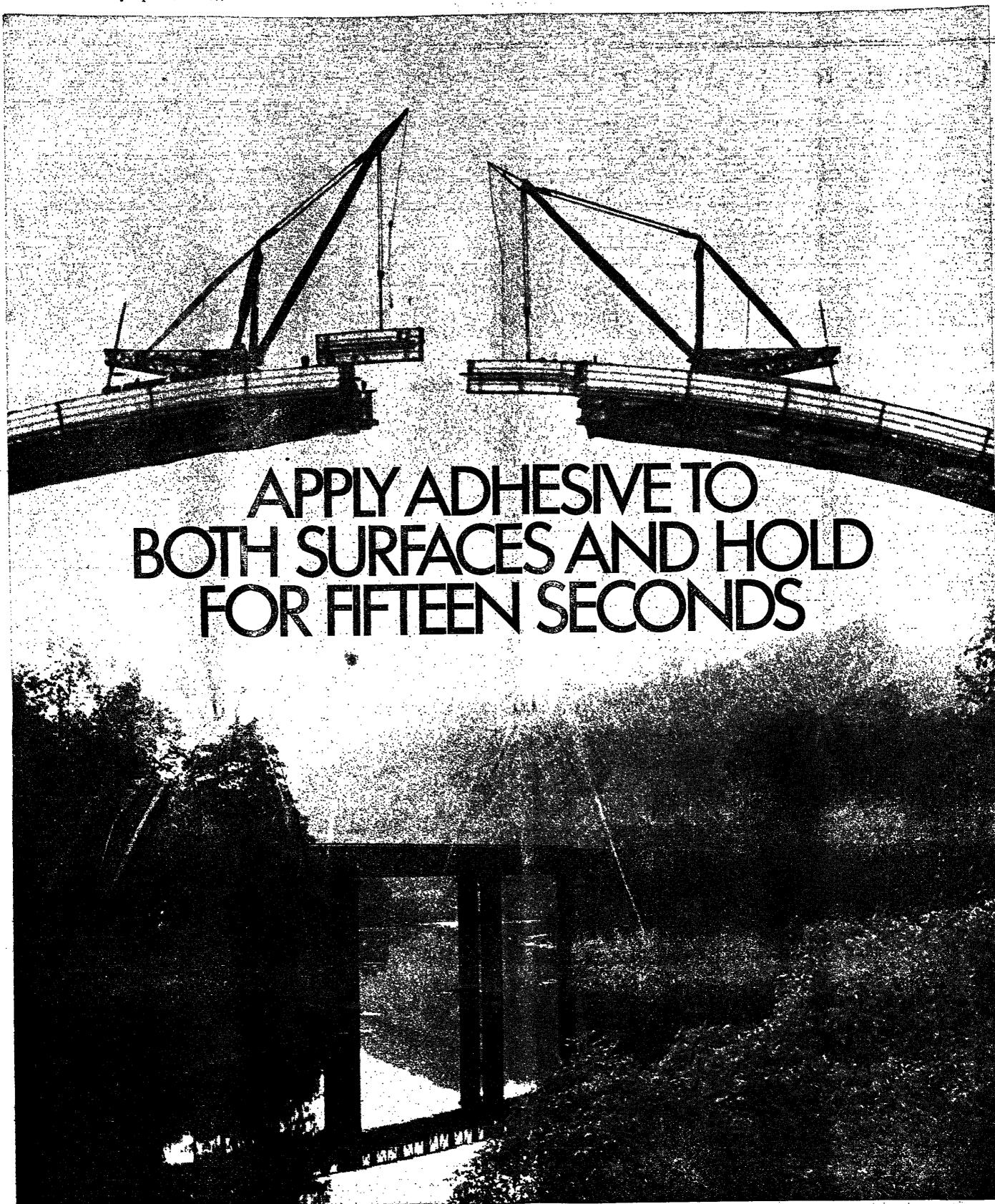
up this year. The EEC has com- A total of £150m to £160m in plained it discriminates in aid is expected to be granted

vestment relief grant scheme, British industry increased its

四山山山

Partly as a result of the in-

Pilot



Replacing rivets and bolts with a super glue may seem a little far-fetched. At the moment. But already adhesives are moving into direct competition with traditional methods of joining materials, even in aircraft and car production. Larger structures could be next.

In this revolution BP Chemicals are playing a backroom, but significant part. Adhesives depend on solvents and, using our own basic feedstocks,

we produce one of the widest ranges of solvents in Europe and ensure that they are available when and where they are wanted. Without these vital, versatile products many industries wouldn't be able to produce many of the things the modern world needspharmaceuticals, toiletries, paints, detergents, printing inks, brake fluids, to name but a few. Including adhesives.

BP Chemicals are one of the founders of the European petrochemicals industry. Our direct access to the raw materials from within the BP Group provides security of supply.

This, together with our continuing investment in resources, service and product range, ensures that we continue to meet the needs of industry today, and the demands of the world tomorrow.

BP chemicals-making it all happen

## for more work' -Howe

By Peter Riddeil, Economics Correspondent

MANAGERS SHOULD employees that higher wages can be financed only by higher productivity, according to Sir Geoffrey Howe, the Chancellor. In an interview in the September issue of Director magazine, published today, he says that the Government prefers not to intervene in detail in pay

bargaining.. Managers have a "very sub-stantial responsibility" to spell out to employees" the reality that if their company is not producing more, then the resources are not available to finance

higher pay," he says.
"I do not have sole responsibility for resolving the out-come of pay bargaining. What I can do is to regulate the growth of the money supply in total, and to try as hard as I can to spell out to people involved in pay bargaining that higher weges do not grow on trees."

After underlining the primary responsibility of management in this area, he says the central point is that "there

is a link between output, im-provement in performance and the right to higher pay." This is likely to be an increas-ing theme of ministerial statements during the next few months, in particular the series of major speeches planned by

Sir Geoffrey. In the interview. Sir Geoffrey hints at the possibility of a further reduction in the burden of income tax for the higher naid. He says there is already indexation of the thresholds for the basic rate of tax (increasing them annually in line with inflation) and "if we were sure that we had reached the final structure for the higher rates, then clearly there would be a strong case for indexation of those as well."

#### Rirtley to build £18m coal plant

A CONTRACT worth over £18m for the construction of a coal washing plant has been won by order. They will be progres-Birtley Engineering, a Chester- sively delivered to British Airfield-based company.

eld-based company. ways from next January, and will replace the Boeing 707s now National Coal Board's ten-year, used. £300m programme of coal pre-paration plant building and will also be using two of the refurbishment. The board ex-new Lockheed Dash 200 TriStar pects the programme, which is airliners on its holiday flights. more than half finished, to be British Airways has just ordered completed by 1985. ompleted by 1985.

The latest plant, at Wooley can carry more than 300 pas-

Colliery, Barnsley, will take sengers—twice as many as two and a-half years to com- British Airtours' current Boeing

## 'More pay Manufacturers cut spending

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

official expectations of a further on October 1.

Revised estimates published of manufacturing investment between April and June was 1930m (at 1975 prices and seasonally adjusted).

less than the total for the previous three months.

, In the first six months of this with the second half of last per cent rise. year and by 2 per cent compared with the same period in 1977. This follows a steady rise between 1976 and 1978.

inquiry in early June projected rise in manufacturing invest-

BY PETER O'CONNELL

THE UK is to receive £31m from

the EEC's regional development

fund to aid investment and

announced in Brussels yester-

reduce unemployment, it was

The largest slice £13.7m, goes to Northern Ireland - includ-ing \$7.9m in the form of an

It is the first time that

grant since the regional fund

AIRTOURS,

holiday charter subsidiary of

British Airways, has signed a

£3.4m contract with Olympic

Holidays for flights between the UK and Greece next summer.

the 28 new Boeing 737X short-

range jet airliners which are on

From 1981, British Airtours

The airline will use some of

was set up in 1975.

BRITISH

The shortfall may be partly explained by the impact of the reflect the impact of the squeeze to fall next year.

spending by more than a fifth in real terms between the second half of last year and the first year the volume of investment six months of this, while the fell by 3 per cent compared vehicles industry reported a 17

> leather and clothing; drink and tobacco, and the paper, printing per cent. The remaining industries recorded falls in invest-

pean Investment Bank, which has loaned several million

pounds to the Northern Ireland

Electricity Service for the build-

ing of the power station, and

represents a 3 per cent rebate

on the interest repayments on

north of England is for develop-

Association Insurance Services

in Newcastle-upon-Tyne bene-

British Airtours in £3.4m holiday deal

Mr. Gerry Draper, chairman

of British Airtours, said yester-

day that the airline was entering

the 1980s with the most un-to-

date charter fleet in the world.

petitive fleet, and with it we can match therates of any other

airline in the business.

day market.

It is a very flexible and com-

"With both the TriStar 200s

and 737Xs, we will be able to

withdraw the remaining 707s.

As a result, we expect to in-

crease our share of the short-

haul charter market and expand

the fast-growing long-haul holi-

British Airways is intro-

There is also £3.7m to extend

£31m grant from EEC fund

the scheme.

interest subsidy on a loan the aircraft apron and terminal already paid to help towards building at Aldergrove Airport, constructing Kilroot power Belfast.

Most of the £10m for the

regional aid has been paid in ing 50 industrial sites and the form of an interest relief tourism, but the Automobile

The money goes to the Euro- fits by £353,000.

BY MICHAEL DONNE, AEROSPACE CORRESPONDENT

CAPITAL spending by manument this year of 2 to 5 per ment, with the largest declines facturing industry has fallen so cent over the 1978 levels. The being 17 per cent for instrument far this year—in contrast to next survey will be published and electrical engineering, 12 per cent for iron and steel and about 3 per cent for chemicals.

The manufacturing figures yesterday by the Department of winter weather and labour dismay be slightly distorted to the Industry show that the volume putes and it is also likely to extent that companies have increasingly been obtaining on profits and liquidity. Most capital goods through some forecasters expect investment form of leasing or rental arrangements rather than by This is £35m less than the proThe latest figures show that purchase. Goods acquired in visional estimate published last the coal and petroleum products this way are classified accordment and is roughly 2 per cent sector managed to increase its ing to ownership and majoly come under the distributive and services category.

Indeed the growth of leasing may account for part of the continued buoyancy of distributive and service investment. This amounted to £1.29bn (at 1975 prices and seasonally adjusted) in the second quarter. etween 1976 and 1978. and publishing groups — This was £6m more than the The Department's intentions achieved rises of less than 4 provisional estimate and 71 per cent more than the outcome in

The Co-operative Bank, in

receives £858,000 of the £8m

investment grant to the north-

the extension of water treat-ment works at the Colliford

voirs in Cornwall.

land is to receive £2m for build-

ing a bridge at the Gott Bay

pier on Tiree, and roads else-

The Irish Republic will receive £15m from the fund.

much of which will be spent

on providing microwave radio

links for telephones between

normal excursion rates, but will

be available only on certain flights. Other conditions will

From London to Basle and

Geneva, a return will cost £80.50, 23 per cent less than

existing excursion rates. Book-

ings must be made and paid for

To Amsterdam and Brussels

from Heathrow, a return will

cost £49.50 on certain daily off-

peak services, but no advance

Flights to Dublin will be reduced to £47 return. But the

cheap rate will again be avail-

able only on certain flights and

bookings will be required.

one month in advance.

Dublin and Sligo.

also apply.

November 1. They will be up include a week-end in their to 50 per cent cheaper than stay.

the UK).

A further £595,000 will go to

Skelmersdale,

In the first half of this year investment was 6 per cent higher than a year earlier and 51 per cent more than in the previous six months. On the latter comparison the financial including sector. increased its spending by 11 per

The June intentions survey projected a rise in distributive service investment of between 5 and 7 per cent this

Revised estimates show that the level of stocks held by manufacturers, wholesalers retailers rose by £296m (at 1975 prices and seasonally adjusted) between the end of March and the end of June. This is £30m more than provisionally estimated.

Manufacturing stocks rose by about £75m in the quarter, following a £53m rise in the previous three months.

### Costing students

By Michael Dixon,

THE LONDON Conference o Overseas Students says that the UK makes a profit of about £30m from foreigners on courses in universities, polytechnics and technical colleges. But the Gov-ernment claims that Britain's 86,000 foreign students cost the taxpayer more than £100m a year, because the fees they pay cover only 40 per cent of the average cost of their courses. Ministers are considering charging the full cost to over-

The London Conference says in a document published yesterday that the Government's figures are calculated by taking the gross cost of a course and dividing it by the total number

foreign. This is an unfair method, the document argues, since up to half of the gross cost would be incurred even if no overseas students attended. The courses would then have to be provided

A more logical method would be to calculate the cost of providing extra places "on the margin" for the foreign students -which would reduce the Goveroment's gross cost of £153m for the overseas contingent in 1976-77 to only £102m.

The London Conference does not question that many of the foreigners would be both willing and able to pay far higher fees

## overseas

seas entrants from next year. apart from those whose poor circumstances justify financial

of students, both British and

for British students.

ducing Apex fares on some certain days, and must be European flights to Switzerland, booked and paid for one month Holland and Belgium from in advance. Passengers must

## Give workers a say, urges Prior

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

A MAJOR change in the way that companies are run was suggested yesterday by Mr. Jim Prior, Employment Secretary. He said he would like the views of long-service employees to be given legal enfranchise-

Speaking to a Confederation of British Industry conference in London, he said that increased employee involvement would, in the long run, "have a far greater effect on the way we run industrial relations" than the labour law changes planned by the Government. Stressing that he was giving a personal view and was not reflecting Government policy about possible legal enfranchisement of employees' opinions, Mr. Prior said: "I have a very

that an employee with 40 years service, who is not a shareholder, does not have a say in the future of his company and whether it is taken over." Some progress towards Mr. Prior's idea will be made with two measures being planned by the Government. One is to use next year's Finance Bill to relax some of the taxation rules on employee share ownership that

strong view that it is wrong

were introduced by the last Government The second is to revive company law proposals prepared by

previous Conservative Labour administrations for the interests of employees as well as shareholders to be taken statutorily into account by company directors.

Corby

people

march

ABOUT 10,000

in protest

By Christian Tyler, Labour Editor

marched through Corby yes-

terday protesting at the British Steel Corporation's decision to end steel-making

The demonstration, which virtually closed the town for

two hours, massed outside a

student hostel where ESC

officials were meeting the TUC steel committee. After

five hours the two parties

emerged to say that another meeting would be held on

Meanwhile a joint working party would look at the case

for closure outlined by BSC

for closure outlines by BSC yesterday.

Mr. Bill Sirs, chairman of the TUC committee and general secretary of the Iron and Steel Trades Consederation, said that during the meeting BSC had withdrawn a proposed to stort wholing flows.

posal to start winding down steel-making from January.

Mr. Bob Scholey, BSC chief

executive, confirmed that, but said the November I meeting would be "final and definitive."

If appears that BSC does not expect the unions to be able to make any case for keeping steelmaking alive or saving the 6,000 jobs that would disappear, and that it still has a January closure date in mind.

The unions were told yester-day that Corby steelmaking had lost £13m last year, and could lose £20m this year. The

longer from and steelmaking was retained, the greater the threat to the tube mill. BSC's

figures have been challenged

by economists advising the

local union action committee.
Yesterday's demonstration
was led by Mr. Bill Homewood, Labour MP for Ketter-

ing, and sponsored by the ISTCI One of the organisers, Mr. Mick Skelton, of the ISTC sald: "We will fight the

closure plans as long as we have breath in our bodies. We warn management that this is only the start."

November 1.

£13m loss

at its Corby tube works.

ptepie

Mr. Prior indicated yesterday that he does not believe that these measures will go far enough. He thinks the extent to which employees can exert influence on company decisions

by becoming shareholders should be tested first. He said that employee share ownership should be made easier and the Government would support this wen private capital was taken into certain nationalised industries. A "blue form" would be developed with which workers could obtain shares in their industries on favourable terms.

Mr. Prior's outspoken remarks seem likely to upset some sec-tions oft he Conservative Party and will be noted with interest by trade union opponents of the Government's labour law plans. The idea that employees have

a statutory right to a say in their companies' plans is specially surprising coming so soon after the long battles over the last Government's Bullock Report and its worker director

Men and Matters, Page 18

### **Safety Commission** warning on cuts

BY PHILIP BASSETT, LABOUR STAFF

THE HEALTH and Safety Com- all work on future reactor mission has warned that its systems such as fast breeders, work would be substantially until their development took reduced if it were forced to make major expenditure cuts. for licensing

The work includes operations n "areas of particular sensi- eliminating this work, would tivity," such as the safety of also lead to much reduced nuclear and other hazardous safety assessments and inspecinstallations.

In a letter to Mr. James Prior, Employment Secretary, the commission outlines the affect on its services of cuts of 10, 15 and 20 per cent in man-power costs. The Cabinet is examining options for cuts of these sizes, which have been submitted by most Civil Service departments.

commission says this would stop nearly 30 per cent.

the independent television dis

pute which has blacked out

screens for six weeks were

adjourned yesterday after six and a half hours of discussion

between the three unions and

A joint statement by the Inde-

pendent Television Companies

the companies.

month.

effects.

BY GARETH GRIFFITHS, LABOUR STAFF

PEACE TALKS aimed at ending National --

the shape of formal proposals

A 20 per cent cut, as well as tions of chemical plants.
The frequency of factory

inspections after a 10 per cent cut would fall from the present level of about once every five years to 7.7, and after a 20 per cent cut to nine. Planned mines inspections would fall from 14,500 a year to 12,000 after a 10 per cent cut, and 11,000 after a 20 per cent cut.

Overall, a 10 per cent reduc-One of the options is for a 10 tuon would, by 1982, cut 19 per cent cut in the assessment per cent of the executive's proof safety risks by the Nuclear jected manpower total. A 20 Installations Inspectorate. The per cent reduction would cut

#### found' for steelworks

Association

Employees and the Electrical

and Plumbing Trades Union,

said discussions had taken place

on all aspects of the dispute and a possible basis for a settlement.

No new money offer had been

tabled and the talks would

The companies' offer before

In response to union demands

lic Services Association, and Mr. Leslie Christie, assistant general secretary of the Society of Civil and Public Servants. The unions say it will take

two years to clear the backlog

ASTMS already has negotiat-

ing rights in the National Bank

of Australasia and the Bank of

Finance Union and ASTMS

have rejected advice from the

TUC that the former should not

The Banking, Insurance and

New South Wales.

resume today.

Association and the Association the start of the talks was worth

of Cinematograph, Television about 161 per cent and the and Allied Technicians, the unions claim about 25 per cent.

HOPES WERE rising last night for a breakthrough in the strikes that have halted Chrysler UK brought the two sides together

Leaders of the 2,000 workers for a 20 per cent pay increase at the Ryton assembly plant. Chrysler has offered 51 per cent coventry, who walked out 12 plus a self-financing incentive weeks ago, were locked in nego-scheme. Exploratory talks are

tiations with management at a scheduled for today at Stoke.

THE TWO civil service unions Alistair Graham, deputy general involved in the month-long secretary of the Civil and Pub-

of work and the loss of revenue The claim came from Mr. will reach film by next week.

THE executive of the staff pendent ballot of the staff asso-

association at the Australia and ciation membership is now ex-

pected.

Bank union in merger move

Chrysler progress hope

BY ARTHUR SMITH, MIDLANDS CORRESPONDENT

Law 'breaking down'

car production for more than a en Monday.

BY GARETH GRIFFITHS

strike by 700 inner London

magistrates courts staffs said

yesterday law and order was

breaking down in central Lon-don because of the dispute's

New Zealand Bank is recom-

mending a merger with the

Association of Scientific, Tech-

This follows a ballot abong

nical and Managerial Staffs.

BY NICK GARNETT, LABOUR STAFF

By Ray Perman, Scottish

Buyers

WORKERS at the Lauarkshire Steel Works, Motherwell, threatened with closure in November, claimed yesterday that they have been ap-proached by two potential buyers who would save most of the 390 lobs.

The British Steel Curpora-

tion announced last month

that it wanted to shut the 90-year-old works and transfer production of rolled steel colliery arches to the more modern Scuntherpe and Teesside mills, saving £3.5m a year. Management, which is still negotiating redundancy terms

with shop stewards, has already told them it would not be in the corporation's interests to sell the works to someone who would set up as a direct competitor. But unions are considering approaching Mr. George

Younger, the Scottish Secre tary, to ask him to intervene and force the corporation to sell in the event of a bid being made.

Se far, no apreach has been made to the corporation, although one of the interested parties, a group of Scottish businessmen, has had talks with the local authority, Strathelyde Regional Council. which was asked by the stewards to establish the good

standing of the men involved.

The other potential purchaser, understood to be a group led by a director of a private steel company, is also to meet the council soon.

#### Improved offer at Coalite plant

LETTERS GIVING details of an improved ay offer will besent today to 1,000 bourlypaid workers at the Bolsover Coalite plant. Derbyshire, who have been on strike for five weeks.

The offer came after nine hours of talks between the union and management. A hallot will be held on

## BOC pay offer turned down

for a flat rate increase of £25.

3,000 drivers and gas cylinder agerial Staffs yesterday attacked BOC's decision to cease operat-

damaging strike two years ago its cryogenics division:

Further negotiations for the ing its fuel, gas and engineering group, which carried out a services unit, which is part of Mr. Sequerra said the unit was

To Sequence divisional on he in Botherham and

## Guidelines on banking supervision

THE BANK OF ENGLAND has particular, to high reputation today published a Handbook of and standing in the financial Banking Supervision detailing community and the provision of how the 1979 Banking Act will a wide range of banking sermarking a major departure with the old tradition of self-regulation in the City, is the first comprehensive banking legislation the UK has had.

The Handbook falls into four parts: a summary of the Act in layman's language; an explanation of the manner of its implementation and the procedure to be followed in making application; the prudential criteria which will be used for on-going supervision purposes; and a list of recognised banks and licensed deposit-takers the last two the next 12 months.

statutory framework for the authorisation and supervision by the Bank of England of all deposit-taking institutions not already subject to separate legislation, such as building

an offence to take deposits from the public unless authorised to do so by the Bank of England. Two main forms for deposit-taking authority will be available. Recognition as a bank will meet certain criteria relating, in professional skills."

societies and savings banks,

a wide range of banking ser-vices, or a highly specialised

managed will be licensed and described as licensed deposittakers. Apart from establishing

'It is not expected that the Bank will regard as fit and proper persons with criminal records, especially in connection with fraud.

sections to be published within a two-tier structure in the bankthe next 12 months. ing-sector, the Act also provides
The Banking Act provides a for the creation of a deposit protection scheme to which recognised and licensed institu-tions will be required to con-

One of the most interesting features of the Handbook sec-tions so far published is the The Act provides that it is insight on how the Bank proposes to judge whether an institution has "a high reputation and standing," is providing
"a wide range of banking
services" and is carrying on its business "with integrity and he granted to institutions which prudence and with appropriate

The Taiyo Kobe Bank Ltd.

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In accordance with the provisions of the

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Certificates will carry an Interest Rate of

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that for the six month interest period from 21

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tribute.

relevant extracts:

ing in the financial community.

To qualify as a recognised bank; an institution must posess Other institutions which are a high reputation and standing competently and prudently in the financial community. The financial community will be taken by the Bank, in inter-preting this criterion, to embrace primarily the UK financial (and particularly banking) community but, where appropriate, reputation and standing in the international

financial (and particularly banking) community will also be taken into account.
The Bank will be primarily concerned with the institution's reputation and standing as a provider of the banking services

listed in paragraph 2 of Schedule 2 of the Act. In forming its judgment about the reputation and standing of an applicant, the Bank may have regard to market opinion and take soundings among other institutions as appropriate. Other indications which may be relevant include:

• the individual standing in the financial community of in terms of basance sure-members of the applicant's magnitudes and the number of transactions/customers the range and quality of its involved.

customers and counter-parties (in particular its banking counter-parties); the range and quality of its correspondent relationships. In certain circumstances the

Bank may wish to take into

account that certain relation-

ships which might have been expected to exist do not, in fact, The requirement that high reputation and standing must in general have been enjoyed for a reasonable period of time reflects the need for an institution's reputation and standing to be demonstrably secure

before recognition is granted. While it is impossible to specify a precise period in this context, it would normally be expected that an institution should have enjoyed appropriate reputation and standing for a period prior to the granting of recognition measured in years rather than months.

Paragraph 1(2) of Schedule

provides that the Bank need

not, however, delay recognition

of a new or recently established

demisitateking business where

normal rosts with one or more

This provision would be relevant to subsidiaries of such institutions and to consortium banks which meet all the other criteria for recognition but have not had time to establish appro-

priate reputation and standing in their own right. (ii) A wide range of banking services Paragraph 2 of Schedule 2 requires the provision of a wide range of banking services or of highly specialised banking service, while sub-paragraph (2) lists the components of that

"wide range," which must be provided in the UK save in the case of those institutions whose services may be assessed on a worldwide basis. The Bank will also have regard to the nature and scope of the particular services provided or, in the case of a new institution, to be provided. Consideration will therefore be given to the volume and range

'The Bank may wish to take into account that certain relationships which might have been expected to exist do not, in fact do so.'

Also relevant will be the length of time over which a particular service has been provided, its quality and contribution to earnings, and the staff and other resources devoted to it. Thus the provision of services in a limited form or to a limited group of customers will not necessarily suffice.

cases, grant recognition to an institution which does not provide all of the services speci-fied, except that the acceptance of deposits and the making of loans are obligatory and at least one of the other services listed must also be provided. Where institutions are of the requisite reputation and ina pitt go dus brunge the

e to the don't need

the fally of them, which were a

The following are some of the be expected to be overseas in a particular case will be a elevant extracts: banks not themselves carrying material factor in leading the (i) High reputation and stand- on a deposit-taking business in Bank to consider whether '.) exercise the right of waiver mentioned above in respect of one or two of the services.

> overseas institutions with UK branches whose activity is largely concentrated in the wholesale money markets. The Bank may grant recogni-

(iii) Business carried on with integrity and prudence and with appropriate professional skills

business of a recognised bank should be conducted with integrity, prudence and appro-priate professional skills clearly implies that it will be under the direction of fit and proper persons. While the Bank will wish to be satisfied as to the integrity and competence of key personnel, this criterion goes beyond questions of the suitability of individuals; it entails the observance by the institu-tion as a whole of the highest professional and ethical stan-dards, as befits the status and position of recognised banks in

ment will include not only the maintenance of a satisfactory balance sheet structure, but also the existence of coherent management information and control systems designed to monitor and limit the Bank's exposure to, for example, particular risks or concentrations of risk on countries, industries, customers or counter-parties. (i) Fit and proper persons

criterion the Bank will take into account the professional qualifications and relevant experience The Schedule provides that of directors, controllers and he Bank may, in appropriate managers (particularly when asses, grant recognition to an this has involved a position of the Bank may, in appropriate responsibility with a bank or other supervised deposit taker). In assessing personal integrity the Bank will have regard to any relevant information. This include, as well as the opinion held by the financial

#### Applicants to whom this may be especially relevant include tion to an institution which provides a highly specialised banking service rather than the wide range of services referred to above.

(Schedule 2, 3) The requirement that the

the financial community. Evidence of prudent manage-

cant for a licence fulfils this

its 600 members which showed a clear majority in favour of joining ASTMS, rather than In assessing whether an applimaintaining its independence or recruit within insurance comjoining the Banking, Insurance panies and the latter should and Finance Union. An inde- not recruit in the banks.

community, observations made in reports by Inspectors appointed by the Department Trade, or in reports by the 'ake-over panel or similar authorities abroad.

#### BY NICK GARNETT, LABOUR STAFF NEGOTIATORS for 3,000 reporting it to meetings of the Scientific, Technical and Manmanual workers at BOC's gases

division have rejected an offer of between £4 and £5 on the basic rate in response to a claim Union officials said yesterday

and was one of the first to break that the effective which they valued last year's pay guidelines—are highly profitable and its closure to live weeks time.

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## Ambitious plans to ride out the energy crisis

THE NEW energy crisis has hit at 6.6 per cent per annum storage capacity, especially by the Greeks hard. It is threatening their Zorbaesque lifestyle faster than that of GDP (5 per The government now plans to the State. and having the inevitable consequences on the country's in 1986-90). Much of the probalance of payments.

The crisis has prompted a major review of energy policy. Greece hopes to produce small quantities of its own oil in 1981. and is planning a series of nuclear reactors and to build natural gas pipelines to connect the country to Soviet and Algerian supplies. It also has some novel energy-saving plans

Spasmodic energy-saving measures taken so far have Spasmodic aroused a great deal of resentment. One of these measures, staggering of working hours to alleviate rush-hour traffic jams. has met with violent opposition from bank employees. Two price increases this year have brought the price of petrol to the equivalent of \$3.75 a gallon (among the highest in the

Despite this and potential fines of up to \$3,000, Greek motorists continue to defy the ban on weekend motoring applied alternately to odd

and even licence numbers: The edict that all restaurants. casinos, nightclubs and other places of entertainment, such as the famous bouzouki clubs. must close by 2 am has deprived Athens of much of its appeal as a fun city and the restriction on lighting has made the streets hazardous. But the Government is adamant that Greeks will have to acquire a new sense of self-restraint if they are to ride out the energy crunch.

The core of Greece's energy problem is that 75 per cent of the country's total primary energy requirements are met by imported liquid Juels. Although these requirements, amounting this year \$9.6m tons, can still be fairly easily found, it is the endless prospect of further price increases and the longer-term prospect of shortages which are the real issues to be tackled.

Just as significant is the groups. indirect effect of the higher prices of liquid fuels on the domestic price level through their impact on production costs. This is natural since industry and 43 per cent by near Corinth.

iected energy demand growth is expected to be in industry.

Crude oil imports this year are expected to cost \$1,800m (about 22 per cent of the country's import bill), compared with \$1,300m in 1978, \$821m in 1974 (after the first steep rice in the price of oil) and a nostalgic \$93m in 1970. The gap in the balance of payments last year stood at \$1,250m and this year is expected to exceed \$2,000m, mainly because of

Under inter-state agreements negotiated by the present Government, 3m tons of this year's crude oil will come from Saudi Arabia, 1.5m tons from Iraq, 1.2m tons from the Soviet Union and 500,000 tons from Libya. Under a long-term agree-ment with the Government, the Esso Pappas refinery in Northern Greece will supply a further 2.4m tons. The balance of 1m tons will be petroleum products to be provided by the Vardinoyannis and Latsis groups which own refineries in

#### Wide spectrum

Under a three-year agreement reached earlier this year, Libya will increase its share to 3m tons from 1980. The Soviet Union will reduce its share to 1m tons and Esso to 1.8m tons. The wide spectrum of supp-

liers is a result of the Govern-ment's policy of not putting all its eggs in one basket in the present uncertain climate Strategically also, and mainly because of its disputes with neighbouring Turkey, the government feels that oil supplies from the Soviet Union, which have to pass through the Dardanelles, and from Iraq. much of which has to pass through the Iraqi-Turkish pipeline, should be supplemented from other sources. The main such sources are the Vardinovannis and Latsis such

Greece's four oil refineries have a total annual processing capacity of 19.5m tons of crude. Motoroil Hellas, belongs to the Vardinoyannis 32 per cent of the total quantity shipping family is investing of liquid fuels is consumed by \$100m to expand its facilities

A major weakness, which the Total primary energy require- government has been slow to ments are expected to increase rectify, is the lack of sufficient

increase State oil storage capacity by 2m tons to make it independent of the oil companies. Negotiations are under way with the Soviet Union to supply storage tanks for about 1m tons capacity

To gain control over oil usage and thereby manage its oil debts, the Government is pursuing an energy policy aimed at the extensive exploitation of local sources of energy. The sources available in Greece are lignite. waterfalls and the oil deposits discovered by a foreign consortium off the north Aegean island of Thassos, all of which can be used as substitutes for imported crude oil.

Proven reserves of lignite in Greece amount to 3.6bn tons (mostly in Western Macedonia and the Peloponnese), 70 per cent of which can be recovered. and there are indications that a further 1bn tons may exist. The country's exploitable waterpower is estimated at 20m megawatt hours (MWh) per annum, of which only 4m MWh annually, or about 20 per

gramme of the Public Power Corporation (PPC)—Greece's state-controlled electricity company-calls for a tripling of lignite usage, the doubling of hydro-electric production and generation of 19,457 gigawatt the introduction of nuclear hours (GWh) lignite now of Industry and Energy, natural gas by submarine pipe-power in 1987. Power generating provides 47.6 per cent believes the real crunch in the line across the Adriatic from stations of the PPC today have and hydro the remaining 15.3 international energy crisis will Italy. a total capacity of 4.831 MW.

GREECE'S RELIANCE ON IMPORTS

(m tonnes of oil equivalent) TOTAL PRIMARY **ENERGY** 18.2 5.3 12.9 Domestic Production Net imports DOMESTIC 0.2 3.7 0.4 7.2 Hydro **NET IMPORTS** 14.5 1.0 13 6.0 Source: IEA National Energy Review

this capacity in the next decade grown to an estimated 44,630 to 11,526 MW with the con- GWh, the share of crude oil is to 11,526 MW with the construction of 12 new lignite-fired expected to be gradually replacts with a total of 3,600 MW, duced to 13 per cent, while that 24 hydro-electric units with of lignite and hydro-should represent oil-fired units increase to 74.5 per cent and cent respectively. MWh annually, or about 20 per 2.272 MW, seven oil-fired units increase to 74.5 per cent a cent, is currently being utilised with 528 MW and a 600 MW 12.5 per cent respectively. for the generation of electricity.

> external borrowing. Apart from oil's 37.1 per cent 1978 for the purchase of a 300 contribution to total electricity MW oil-fired station.

The policy of substituting The 1979-88 development pro-ramme of the Public Power ment of about \$10bn, about half in electricity generation is sev-torporation (PPC)—Greece's of it to come from internal and eral years old but the government gave the go-ahead in July

total capacity of 4.831 MW. per cent. By 1988, when electrome in the late 1980s when Under the terms of full memto public transport. A revision to do so sure the PPC plans to increase tricity production will have demand for oil will exceed bership with the EEC, the of PPC prices is being concrucial sector.

Despite the uproar created by power plants are "a necessary evil of the future" and has given the green light to the PPC to undertake preparatory work for Greece's first nuclear power

Mr. Evert says the first plant will probably be installed on an island near Athens (Euboea has been mentioned as a possiment controls the whole bility). Athens is the most spectrum from the crude oil Athens is the most earthquake-resistant area in the

The oil deposits discovered off Thassos late in 1973 will make Greece an oil producer of modest stature by early 1981. Two of the four drilling offshore platforms have already been positioned in the oil-bearing hasin known as Prinos. The nilfeld is expected to vield 25,000 harrels of high-sulphur content oil and "Om cubic feet of natural gas a day.

Plans to bring natural gas from the Soviet Union through Bulgaria and from Algeria through Italy must be seen as long-term projects because of the many difficulties involved. not least the forbidding cost-

more than \$1hn. Italy's State-owned Progetti (a subsidiary of ENI) has been awarded a \$1m contract to prepare the study on

on the oil sector within five the recent Harrisburg incident, years from accession. This will mercialisation of new technolo-Mr. Evert believes nuclear be done at the rate of 20 per gies include tax incentives for cent each year. Just how it the installation of domestic and intends to do this is not clear industrial solar water heaters;

and the 17 oil companies and interest-free loans of up to involved in the marketing of 50 per cent of the investment petroleum products in Greece involved for installations using are trying to start a dialogue new energy-saving processes. with the Government on the matter. As things stand, the Govern-

stage right down to the petrol station pump. Under an allocation system worked out between them, the marketing companies buy their petroleum products from the National Petroleum Service at fixed prices with the profit margins determined by the Government.

#### Subsidisation

The prices the companies buy public transport, industry, central heating and transport of All this represents the type agricultural products, thereby of comprehensive energy plan-

and progressive taxation on

to sidered to discourage excessive liberalise its monopolistic grip use of electricity by consumers. Measures to facilitate comnew energy-saving processes.

Other energy conservation measures provide that all factories whose production requires heavy energy consumption must this year reduce energy con-sumed by 5 per cent below their 1978 level, and that all factories must, within two years, invest 3 per cent of the value of their mechanical assets (before deduction of depreciation) in energy-saving equipment and fittings.

According to Mr. Evert, the Greeks may soon be driving their cars with a mix of petrol containing about 7 per cent their products now do not reflect anhydrous alcohol produced the real cost. The disparity in from sugar beet. The new mix prices reflects Government will be compulsory and will policy to make car petrol subsi- provide farmers with additional dise gosoil which is used in income from more extensive

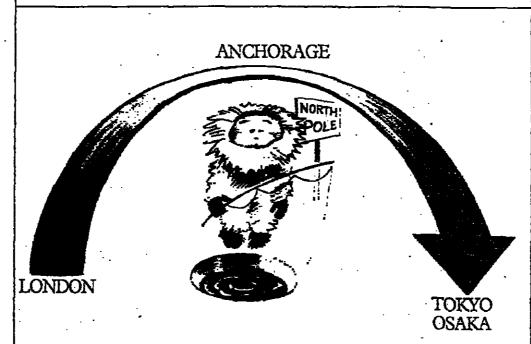
having a more direct effect on ning which few countries have the cost of living index.

On the conservation front, the question mark remains over succeeded in implementing. A new industrial projects in terms be able to bring about the of energy consumption; en- major education campaign couraging high petrol prices; necessary to win widespread continuing a policy of heavy support and whether, having so support and whether, having so far lagged in introducing longcars; and giving strong support term planning, it will be able Under the terms of full mem- to public transport. A revision to do so successfully in this

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**APPOINTMENTS** 

### Senior changes at F. W. Woolworth

all been with the company for a number of years. Mr. Rodgers jumed in 1940. Mr. Johnson in 1942, and Mr. Jones in 1954.

Mrs. Shirley Hume has joined CVC SCIENTIFIC PRODUCTS, of Wokingham, Berkshire, as European product manager, disullation systems and components.

Mr. D. R. Clarke and Mr. D. M. White have joined the partner-ship of LAURENCE PRUST AND CO., stockbrokers.

Mr. Derck Collins has been appointed to the Roards of the RANK CITY WALL group of companies the parent concern is Rank Organisation, Mr. Collins joined City Wall in 1960 and has been property manager for the last few years with responsibility for a substantial portfolio of investment properties within the vestment properties within the

Mr. Michael Cook is to join ANDREW BUCHANAN AND SONS, of Harrow, in the newly-created post of general manager.

Mr. Robert Stephenson has Me. Robert Stephenson has been appointed managing director of the newly formed NORTAL-FLEET TERMINAL. a subsidiary of Bowater-Scott Corporation. He was previously general manager of Thames Site at Bowater-Scott. Mr. Phillip Virgo. services director (Rowater-Scutt) has become chairman of the new company and Mr. David Ray. Manager of corporate finance (Bowater-Scott) has been made a

Mr. Ron Bennie has been appointed general manager of the international hanking divi-sion of NATIONAL WEST-MINSTER BANK from April 1. 1980. He will succeed Mr. Eric Carter who becomes deputy group chief executive (international business) on Mr. Harold liteheock's rettrement on March 31, 1980. Mr. Bennie has been managing director of Centre-file, part of NatWest group, since June, 1978. Previously he held appointments as area director of West End (Central) area and hanager of Threadneedle Street Office in the City.

Mr. W. B. M. Duncan has been appointed to the Board of LEGAL AND GENERAL GROUP. Mr. Duncan is a deputy chairman of IMPERIAL CHEMICAL INDUSTRIES.

Mr. R. Kewell has joined the Board : Board of PALMERS SCAF- retired.

Mr. S. J. Owen, chairman and FOLDING as UK scaffolding joint managing director of F. W. director. Mr. G. Oakley and Mr. WOOLWORTH AND CO., is to B. Huggins have been made retire from the company on northern and southern divisional October 31. Mr. G. Rodgers, joint managers respectively. Regional managing director, has been managers appointed are Mr. W. elected deputy chairman and Hopewell (North East and Scot-cluef executive, and Mr. H. R. land), Mr. L. Root (South East) Johnson and Mr. R. E. Jones be-and Mr. L. Olive (Offshore). come joint managing directors with immediate effect. The three mewly appointed executives have sales) and Mr. G. Harding (surveying).

> The Secretary for Education and Science has appointed Mr. J. K. McDowall to be chairman of the governors of the FURTHER EDUCATION STAFF CULLEGE at Coombe Lodge. Blagdon near Bristol. appointment is initially for the unexpired period of the term of office of Sir Cyril English, who has resigned. Sir Cyril was appointed in November, 1975, for five years. Mr. McDowall is agent of the Bank of England at Bristol and has served on the governing body of the College since 1974.

> Mr. V. Eugene Refalvy, vice president, has been appointed general manager of the London branch of the FIDELITY BANK, Philadelphia. Pennslyvania, with administrative responsibility for the bank's European commercial banking activities.

Mr. E. Woolfenden at present group financial accountant. MIDLAND BANK, has been appointed assistant general manager (group accounts) from

Mr. Peter Clancy has been appointed general manager and director of PARTINGTON HOMES, a subsidiary of Partington Construction (Holdings).

Mr. Alan Berry is the new chairman of the BBC's Midlands Advisory Council, which advises the Corporation on programme policy and content. He succeeds Mr. John Carpenter, who has sir, John Carpenter, who has snished his five-year term of office. Mr. Berry is director of the Coventry and District Engineering Employers' Associa-

Mr. W. J. Utiley-Moore has been apopinted managing direc-tor of COMPUTING DEVICES COMPANY of the UK in succession to Mr. J. J. McLoone, who is

Mr. N. Brown has been appointed company secretary of HENDERSON-KENTON. The position was previously combined with that of director of administration and those respon-sibilities have now been divided.

Mr. D. H. S. Howard has been appointed a director of LRC INTERNATIONAL. Mr. A. L. Robinson has resigned from the Board and Mr. W. G. Jelley has postered.

## echnical Page Instrumentation design and development

· MATERIALS

### Silver-based paint resists heat

adheres well to most substrates, tough flexible surface which such as plastics and rubbers. has a polyurethane base and can be brushed or sprayed. It has a large number of potential applications in the electrical and electronic industries.

Johnson Matthey has called silver-based paint MH 1433. It is supplied ready for brushing. Viscosity of the mixture can be adjusted by adding one of a number of organic thumers depending on the application.

As well as adhering well to substrates mentioned. MH 1433 also exhibits excellent flexibility and can be used on components, which are likely to undergo cyclic thermal stressing provided the temperature limits of the substrate's 25. Orchard R material are not exceeded. Herts SGS 5HE.

CONDUCTIVE paint which When cured, MH 1433 forms a its electrical and retains mechanical properties at tem-

> ductor of electricity and when particles of the metal are produced in the correct size and shape and blended with paint bases and adhesives, conductive surfaces and bonds of high strength can be produced. For instance, conductive tracks can be painted on flexible substrates to produce an electrical circuit; large surfaces can be sprayed or painted on to obtain of high cuductivity suitable for electroplating. earthing radio-frequency screening.

25, Orchard Road, Royston,

#### • INSTRUMENTS

#### Measurement is precise

()PTOCATOR precision noncontact measurement compment measurements exceed pre-set by Selcom, Sweden, is available in Britain from G. V. Planer.

Solid-state optoelectronic techniques are used to provide precision measurement datafor position, dimensions, contour, thickness, vibration, etc.centage tolerances are selected on almost any material regardless of surface texture, temperature or colour, or of ambient illumination conditions. It does not have to be close to the surlated intensity, from an LED or laser diode mounted in a gaug-(ace being measured, and is built for demanding service

Applications include production line gauging, especially 100 per cent dimensional or gauging of high volume or continuous process items such as rolled or extruded metals, including red hot steel, plastics, wood, rubber or food products. Its high frequency response makes the Optocator ideally suited for many vibration measurement applications.

Providing a digital display of the measured variable, together with analogue DC and TTL compatible digital outputs for recording, display or process control, a microprocessor con-Sunbury-on-Thames. Sanbury monitors the tinuously measured variable and gives a

peratures up to 150 degrees C. Silver is an excellent con-

Johnson Matthey Chemicals,

tolerance limits. Separate out-

put signals provide an early

warning that the measured

variable has exceeded a selected

perceptage of the tolerances.

Set point, tolerances and per-

by thumbwheel switches on the

The system works by project-

ing an infra-red beam of regu-

ing probe head, on the surface

to be measured. Scattered light

from the surface is focused on

the optoelectronic detector, also

mounted in the head, and varia-

tion in the measured surface

position results in a change in

position of the image on the

detector. The latter generates

output signals which are con-verted, within the processor

unit, to precise position in-

Frequency response is up to

2kHz. By using two probe

heads, it is unnecessary for the

reference measurement plane to

G. V. Planer, Windmill Road,

be fixed or stationary.

processor panel.

#### Analysis of crystals In the Siemens equipment the

ing and tediens process of goniometer is able to move at about 100 times in a mechanised equipment from Siemens.

RESEARCH

Institute has a built-in inhihi-

tion to revealing details of its-

research work in instrumenta-

tion, in order to pretect the

One area in which the insti-

tute has opened its doors a little,

however is the development of

a laser-based technique in con-

juaction with Redifon which is

able to provide a 180 degree

continuous field of view to a

trainee pilot at a definition

which is said to be 10 times

better than can be achieved

SIRA has been responsible

for the camera and the projec-

tion unit which works in con-

junction with computer con-

troifed image generation and

motion systems for the cockpit.

A one millimetre prism at the

end of a very thin optical probe.

the terrain model

over it according to.

SYSLEDIS.

images

the usual television

interests of its chients.

Work which might take one or two hours is reduced to about a minute by using a high speed diffraction system coupled with a position-sensitive dectector. and associated electronics. The technique involves aim-

ing X-rays at the specimen and measuring, with a goniometer, the angles of emergence of the diffracted rays.

mineral crystal analysis by X-ray 400 degrees per minute and the diffraction has been speeded up position detector allows incident X-rays to be located to within 50 microus on a high ohmic counter wire, even at relatively wide detector apertures. The result - which should be

6.5m picture elements and the

data obtained ane used to modu-

to cover the 180 degree azimuth

and an elevation extending from

20 degrees above the horizon

achieve the required quality the disc has to rotate at 180,000

rom and runs in air bearings.

and white at the moment but

further work using colouned

laser light is expected to pero-

Although SIRA does not

elaborate, there would appear

to be additional scope for

image processing/improvement

and, on the face of it, very high

quality big screen colour tele-

simulator work is the

duce a three-colour image.

The cockpit view is in black

degrees below.

At the same time the beam is

late a laser beam.

to

vision.

particularly attractive to minerologists and geological prospectors - is that a complete X-ray diffraction diagram can be recorded in a matter of minutes. More from Windwill Road. Sumbury on Thames, Middlesex TW16 7HS- (09327 85691).

#### METALWORKING

#### Accurate copy milling DIE SINKING and copy mill-

ing with higher speed and. accuracy is offered by Rambandi with its Digitrace: conceived to add a new dimension to copy milling by overcoming some of the method's inherent disadvantages.

These can be summarised as limitation on cutting speeds imposed by the tracing process. transfer of machine vibration to the tracer head and inflexibility of interpreting the data gathered by the probe.

Digitising of data is. in itself, not new. Much research has been carried out-particularly the content of computeraided design-over the last 10 With Digitzace; Rambaudi

claim to have made an economic and technical advance which establishes digitising as a costeffective process for even the smallest of toolmaking shops. A 965 8911).

claim substantiated by a considerable number of machin both large and small-in the field in Europe. These range from the Rambaudi Mini-Ram, a 10 hp machine, to the Rammatic 1000, a 50 hp, 25 ton. bed-type machine.

With Digitrace the probe can scan the model in the non-cutting mode. This immediately etiminates. any inaccuracies introduced by machine tool vibration. Using this mode of operation.

copy milling has been success fully carried out at speeds of up to 3m/min (120 in/min). This level of feed is of particular interest for light alloy vork in the U.S.A. over 800 Rambaudi machines are used in the aerospace industry.

Elgar Machine Tool Company Limited, Bec House, Victoria Road, London NWIO 6NY .: 101-

research associations SIRA closed digital process the image the U.S. Government through viewed is broken down into American, Airlines

Another contract, for £350,000, has come from the European Space Agency via the Frencia company Magra to provide an experimental device for the deflected by a rotating optical EXOSAT mission which aims disc with multiple facets so as to identify and position of faint stellar x-ray objects. The institument is only the size of a cricket ball and makes use of a chargecoupled device (CCB) array to obtain x-y data from the image of the sky.

Inevitably, a good deal of effort has been expended at which was one of the SIRA-MAPCON consultants-injecting the microprocessor into the instrument indus-There have been some 40 try. projects initiated to date, almost all involving companies which, although they are expert im their own field of measurement, are not able to undertake ruieroprocessor design.

The Institute emphasises that using micros, easily applied and distributed plant effective control has become an economic proposition: it estimates that 30 per cent of all applications have

en in this area. "Making the penny drop" is. still seen as a major task at the Institute which has undertaken a considerable programme of training, not only in microprocessors but in several aspects 4,000 engineers and managers have taken courses there.

SIRA, now seen by its management and staff as more a research business" than a straightforward research laboratory. expects to achieve, a turnover of £2m this year, with 25 per cent exports, and is planning to expand its 200 staff and add more buildings.

Its membership income now only 2.5 per cent of its total revenue—a far cry from the early days.

#### COMMUNICATIONS

### **UK** marketing problem

anies bringing telecommunications equipme the market with what they series consider to be first class Later specifications. are approval from the British Post Office for sale in the UK.

One such organisation is Mitel Corporation, a Canadianbased company formed in 1971 but making considerable impact in telephone switching with all-electronic "SX" exchanges offering an uninstalled cost of £80 per line in the 10 to 200 lines region.

Mitel's particular concern at the moment is that although the Post Office has given approved for private network/PAX use it has refused permission for deployment as a PABX (private automatic branch exchange, which has lines to the P.O. network unlike a PAX).

The company claims support from the gas and electricity boards, British Rail and companies, not to "many commercial mention organisations."

To strengthen its case, the company recently started manufacture at Slough so that it can no longer be regarded as a non-UK" source, but it believes that low-cost objections from the unions (which Mitel refutes) and the fact that the SX is directly competitive with the Post Office's own CDSS1 small electronic PABX are holding things back.

Mitel claims that CDSS1 will not be available for another two

INCREASINGLY, foreign com- years or more and even then telecommuni- will not offer the flexibility, ent rapidly to facilities and low cost of the SX

> Latest product, the SX-20, is seeking aimed particularly at the hotel and motel industry, although with 72 internal and eight external lines it is suitable for many small businesses. occupies only 22 × 15 × 5 ins and can be programmed or re-programmed by the installer in

a matter of minutes. Mitel Telecom, Hamilton Road, Slough, Berks SL1 4QY

#### Lquipment ordered

POST OFFICE has placed an order with Marconi Communication Systems for the design and development of a new generation of 30 channel pulse code

modulation equipment. Object is to meet the exportant, growing and urgent requirement for equipment such as this, suitable not onlyto interface with the present UK system but also for export

The new equipment, which conforms to the CEPT and CCITT 30 channel PCM format, is fully compatible to work with both mational and international systems including the family of System X digital exchange currently under development in the UK Marconi House, Chelmsford

CM1 1PL 0245 353221.

#### • IN THE OFFICE Automatic embosser

ORGANISATIONS that have to emboss large numbers of plastic cards will be interested to equipment from Dymo Business Systems which uses a crt display

for entry and verification. Known as the DBS series & the equipment consists of a keyboard with visual display, a desk-top automatic embosser and interconnected control unit. of modern instrumentation. Over In addition, the system can be coupled on line to a computer for fully automatic operations. to existing VDUs or to other input sources such as line printers.

Using the keyboard and screen, the operator can choose any one of four different layouts and is able to check all the entered data before committing it to the embosser. As a security aid there is a choice of compos tion of check digits at, say, the end of an account number. The same card can be produced more than once if required by pressing a button.

**Farrington** More (rom Dymo Business Division. Tage. Browell's Systems. Feitham, Middx. (01-890 3693).

#### **Produces** better copies

LATEST MACHINE from Mipolta, available from Regula of Danstable makes use of a formulation of toner in which metallic particles are not present and in which the particle size has been reduced to 8 to 12

It is claimed that this produces better copies of more consistent quality and that any paper in the 60 to 100 grams/ square metre can be used. This table-top, moving platen

flat-bed machine can deal with eriginals up to 10 x 14 ins (257 x 364 mm) in size and can produce 12 Al copies per minute, the first appearing in The user can eight seconds. set the number of rupies needed un to 99 on a numeric key pad. and runs can be interrupted in order to make single copies. from another eriginal: the

Enables your equipiter to accept and validate hand-uritten data ac 1.2 IS INTITION.

Quest Automation Ltd

Ferndown (0202) 891010

**E**QUEST

CATAPAD

machine will then recert to the

Exposure is set by the use: on a simple slider control and there is a bank of four warning tights which show when toner needs to be added, paper replenished, paper misted has occurred or the servicemen

needs calling: More from Regma at High Street, Noughton Regis, Dun-stable, Beds., LUS 50L 19382

#### Forms made easier to read

RUSINESS forms, too often range from the downtight deli to the difficult-to-read rarely reflect the background of the company issuing them. As impression that the company is old-fushioned can easily be given by a badly desired form. regardless of the companier

Proc studio design service is being offered by Wilkes Busi-ness Forms, collaborating with clients to change the mone tonous face of British business stationery

This facelift is being achieved by making greater use of multicoloured printing rechnique and by introducing a pictorial aspect to accounting forms. In doing so. Wilkes is finding that increasing number of an marketing departments beginning to appreciate potential accounting paperwork as a platforte on which to promote the company image by incorporating an illustration appropriate to their particular business.

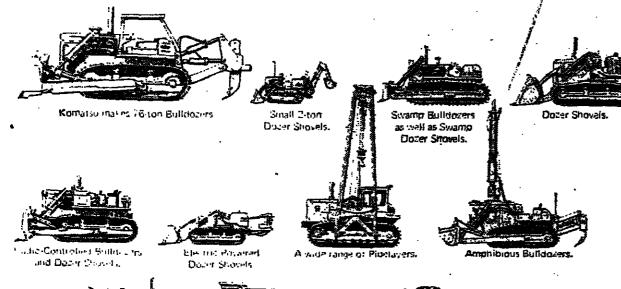
Wilkes Business Forms Oxford Street, Bilston, Middands WV14 TDW. 42061.

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## CONSTRUCTIVE

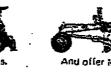




















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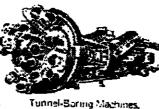


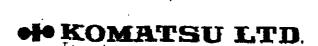












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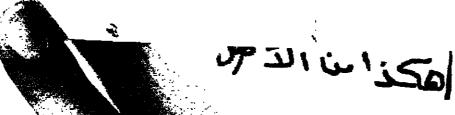
Fortainerung und Finanz AG (FFZ) in Zurich concentrales on non-recourse export financing (a forfait), short and mediumterm trade financing, and other specialized services.

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Financial Times Friday September 21. 1979

Kissinger-his verdict on the West-



Henry Kissinger, the man who left Harvard to mould the foreign policy of the free world, is about to publish his memoirs. What is the verdict on where the

United States stands today? Is the world now in greater danger

of war? What impact will his views have on the policies of the Western Alliance?

This week NOW! magazine examines these

> The man behind Lord Goodman.

important questions.

The Nizam of Hyderabad's wealth

Terry Duffy's three day week.

**Exploring the past** with hypnosis.

NOW! with the help of experts investigates the case of Anne Dowling and the claims of a remarkable new book, "Encounters with the Past"

Kurds-the price of defeat.

This week in NOW! you can read about how the Engineering Union brought the three day week back to Britain; the tragic predicament of the Kurdish tribes in Iraq; the fortunes of Tim Rice and Andrew Lloyd-Webber on Broadway.

Anthony Shrimsley gives his views of Edward Kennedy; Patrick Huther says what should be done about British Leyland; Frank Johnson takes a look at Margaret Thatcher's relationship with the Unions; and Clive Barnes has been examining American Television.

There's a profile of Lord Goodman, one of the most fascinating men in public life; and a look at the riches of one of the world's wealthiest men.

A new letters column will give you a chance to compare your views of NOW! magazine with those of others. The Editor of the Sunday Times wrote in last week's Daily Mail: "When Frank Johnson. Patrick Hutber and Clive Barnes get into their stride, they are worth 50p in themselves." And that's only three pages!



Richard Baker

on music

The first of its kind in Britain

MANAGEMENT

Hazel Duffy and Richard Lambert on a multi-national which has pulled in its horns

## Massey Ferguson ploughs a straighter furrow MF, in its zeal to supply the Third World, made what Rice

The MF 2640, one of a new range of high horsepower tractors. In 2- or 4-wheel drive, the tractors have been designed to improve reliability and simplify servicing.

JUST OVER a year ago, And this was in spite of the Victor Rice found himself fact that the group is based president of a major multi-in North America (its head national which was in serious financial trouble. In the year to October, 1978, Massey Ferlost U.S.\$257m, inextraordinary visions of \$116m for such things

In the current financial year, the group should do better than break even. And in 1979- year that MF introduced a year earlier. The dealership 1980. Rice says the group's range of equipment in this network is a very important 1980. Rice says the group's return on assets employed will be significantly better than at compete, any time in the last 15 years.

This radical turnround has been achieved by pursuing a fairly classical policy of pulling in your horns where possible, and identifying what Rice calls the "core businesses." same time, Rice instituted what he calls a "massive internal overhaul" of senior management. And in the past couple of months, the group has become engaged in a major reconstruction. will be some time yet before MF can safely claim that it is home and dry, but at least there moving in the right direction. Rice has little hesitancy in

office is in Toronto). Even more serious, it had failed to see that the growth element in that market is in large farm equipment. While MF's major com-petitors. John Deere and Inter-assets show that products valued national Harvester, have been at \$303m were in the hands of moving in that direction for North American dealers; the some years, it was not until last comparative figure was \$240m a

Share is smaller

The result is that while Rice estimates MF has around 20 per cent of the North American market for tractors in the 30-100 hp range, he admits that its share of the 100 hp-plus my and Beauthis); combines in market is very much smaller. Canada and France (Brantford Sales of large farm equipment and Marquette) and diesel in North America are also less engines at Peterborough in the volatile than those of smaller UK. The objective is to load equipment; bought mainly by these factories to the full year large farms, demand has proved

MF's tractor sales policy has been heavily in the direction of identifying the shortcomings of the developing countries. Rice his predecessors. As a major describes his predecessors as tractor manufacturer on a having an "almost missionary worldwide scale, MF had never-approach" towards supplying theless failed to secure a solid tractor; and combines to the base in the single most im- world in order to meet its food portant farm market in the needs, But they failed to realise adjusted returns on overage

strong equity base.

Over the past couple of years. MF found itself trapped by this dependence on the Third World. must make more than one in

Credit problems for the Turkish

Covernment and a political change of direction in Brazil,

in particular, led to the virtual

essation of demand for tractors

in these two important markets

for MF. Prior to the downturn

of the past couple of years, how-

ever, tractor demand had been

very buoyant worldwide. But

sees as another "grave mistake." It starved its distributors in

North America and Europe of

supplies, and built up an image

of MF being unable to deliver

Rice believes that in the past year. MF has done much to over-

come these problems. The new

range of agricultural products

introduced to North America

last year, and since then to

other markets, ensured that MF's range "is the best that it has ever been" says Rice. In

fact, he describes it as the most positive thing that he inherited

Strenuous efforts have been

made to improve the range of stocks being held by distribu-

sales pattern, and Rice stresses

that a company can only hold on

to its dealers if it can supply

Tractor:, combines and diesel

businesses" which Rice has identified. Production will be

concentrated at a handful of

UK and France (Detroit, Coven-

in and year out, and to improve

the flow of production which, in

the past, had been erratic.

him with the products.

engines are the three

on time.

at MF.

category which could begin to asset in maintaining a strong

Germany.

The "casualties" so far have plant in Mexico (which MF sold future of Kilmarnock, Scotland, will be decided shortly.

About a year ago, MF decided that combine production should be centred on only one plant in Europe, for reasons of greater efficiency. Marquette was the chosen plant, but MF said it would transfer baler production to Kilmarnock, where combines had previously been made, in order to soften the blow. This would mean that 500 out of a total 1,500 jobs could be

Not an easy operation

Rice is very conscious of the supplied with engines from bad image that multi-nationals Perkins in Peterborough. present when they pull out of countries. He maintains that it is not nearly as easy an opera-tion as the critics of multinationals sometimes assume. In the past year, however, the market for combines is even more depressed than when MF did its study on Kilmarnock a year ago, and demand for balers has also softened. In the light of this, the complete closure of Kilmarnock is obviously one of the options now being studied. The slimming-down process at

MF under Rice—worldwide the workforce has been cut back from 68,000 to 58,000—has resulted in casualties at the top of the tree as well. Out of the 16 people who now report directly to Mr. Rice, only one was previously a vice president. At the next level down, senior managers have been cut from 188 to under 160, of which nearly a quarter are new appointments. The management changes are a key element in Rice's strategy. Before he took office, he says responsibilities

were confused; the group had simply run out of control. All the other plants, which are scattered around the world, Another fault that his predecessors had, says Rice, was will have to live within their own means and make what head the idea of buying assets cheaply office deems to be an adequate without worrying too much about the return-a "higgledy return. One of Rice's innovations is a concept of riskpiggledy " investment policy, Thus MF bought the German world, namely North America, that to extend itself in this way, assets employed by which it construction equipment group,

existence, a plant in Argentina year, Hanomag lost a net \$49m. On his arrival, Rice put one man in charge-" something included the diesel engine plant that had never been done in Canton, Ohio, the tractor before"; he has managed to reduce the losses to around off in the past month), while the \$10m this year and hopes to break even next. Disposal of

> Another example was MF's purchase of the Canton, Ohio, plant which had been built for White Motor Corporation in 1972 but never used. MF bought it in 1976, re-tooled it at considerable expense—it was, says Rice, a "superb factory"—for the production of diesel engines to the North American market. But MF found it could never get enough orders to operate at even a third of capacity, and this year it decided to cut its losses. A provision of nearly \$19m on the plant was included in MF's third quarter figures. The U.S. market is now being

> Rice, a 38-year-old Englishman, came from Perkins, which has often been described by MF as the most attractive as in the group. At the depth of its financial problems, MF tried to sell off a minority stake in Perkins, but without success. With the financial reconstruction which has now been arranged for MF, there is less pressure to raise cash through Perkins sale.

Perkins has enjoyed a solid position as one of the world's major diesel engine manufacturers under MF ownership, but many people believe it is heading for a less successful period. They cite Perkins' strong presence in the indust-rial engine market, which will the truck engine market, and tion in which MF is the problems which could at least as badly nec arise if MF's financial position reshaping of its

MF needed the security of a measures these investments, Hanomag, in 1974. It was a does not permit funds to be This means that, to justify its disastrous investment. Last voted towards Perkins' deve-

Rice dismisses this. He believes that Perkins' "tremendous technological experience in the high-speed industrial engine will continue to present plenty of expansion opportunities. The truck engine, he says, will be made increasingly by the company, however, still the automotive companies themseems to be the most likely selves. Perkins future in the course for MF. joint ventures with automotive manufacturers to enable Perkins to meet the huge tooling costs for a new engine line. The development costs of new engines will be met by Perkinson its own, says. Rice, dismissing the suggestion in a recent Price Commission report that MF's finances might hinder development at Peterborough.

Nevertheless, R and D spending throughout the MF group is running below that of its main competitors. Rice believes that he has a space " until about 1981, thanks to the new farm equipment range that came out last year. But if MF is to keep pace with the products required by the North American and European markets, rather than the less demanding countries of the third world, it will obviously have to devote a greater percentage of its expenditure on R and D than in the past.

#### Losses cut equity

Likewise in capital spending MF has been lagging far behind its competitors. John Deere, for example, has just announced that it is spending \$350m on expansion in Europe alone over the next five years.

The major financial reconstruc tion in which MF is engaged, is at least as badly needed as the

The Secretary, Management

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Communicating to an Audience, London, October 22-24. Fee: £550 (plus VAT) members. £687 (plus VAT)

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The Entrepreneurial Business



Rice: switching MPs from the Third World to North America and Europe.

structure. Last year's losses cut shareholders' equity by a third, and in July this year MF's total debt exceeded \$1.4bn, nearly 21 greater than its net worth

Rice believes that the group should not have more than 50 cents of debt for every dollar of equity—and a big step to-wards that target is the proposal to issue \$C300m and \$C500m of preferred shares warrants for common The financing package will

include a substantial private placement of convertible preferred with Argus Corporation or one of its affiliates. Argus, a holding company with major investments in Canada, is con-trolled by MP's chairman, Mr. Conrad Black, and his family interests, and as a result of the planned transaction the Argus stake in MF could rise from the

35 and 40 per cent. Mr. Rice says he is entirely happy about such R. prospect.
Mr. Black took over in chairman of MF in August 1978
shortly after he became president of Argus, and a few weeks

before Rice's appointment. The finance costs of the preference stock should be significantly lower than that of the debt which it will be replacing. Rice hopes to have the new money by Christmas, and this is one important reason for his

profits. There is also the substantial loss elimination at Hanomag and the closure of the Ohio plant to be taken into account.

confidence about next year's

Further reorganisation is on the way: Rice expects to be making a series of announce-ments over the next three or four months marking what he describes as "the final tidying up phase." He also claims that there have already been massive improvements in productivity which has belped to offset MF's

high sales expenses.

The market place, too, is expected to be more buoyant next year. Farmers cash receipts in North America are expected to be substantially higher this year than in 1978. Rice also thinks that Surope will be capable of modest growth in 1980.

Moreover some of the develop-ing countries where MF is strongly entreached are beginning to recover, after catas trophic declines in recent years. Demand in Brazil has been very much better during recent months, and there are signs of a

pick up in Argentina. But it is clear that by around 1982-83, MF will have to be in a position to invest very large sums of money on further development. Rice, who attributes his success over the last year to the fact that "I work very there can be no letting up

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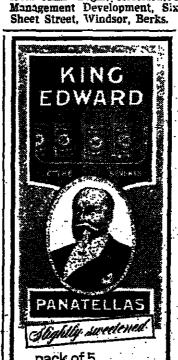
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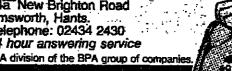
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Patrick Hutber says what should be done about British Leyland;
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IN BRIEF

### THE PROPERTY MARKET BY MICHAEL CASSELL

## £20m Cambridge Circus redevelopment to start

scheme for London's Cambridge Circus is about to go ahead after a 20-year planning battle. Norwich Union has bought the former London County Council. freehold of the site on the Problems arose almost at once, corner of Charing Cross Road mainly over the improvement the original plan, all the buildand Shaftesbury Avenue from of Charing Cross Road In 1965, Cambridge Circus Investments, planning powers were trans-a joint company formed by Town ferred to Camden Council, and City Properties and which objected to the proposals.
National Freehold and Lease- Camden applied for an in-

refurbishment scheme will pro-for the site. CCI is 55 per cent owned by Eastbourne. vide an additional 25,000 sq ft

hold Properties. The total con- junction to prevent the Greater struction cost is to be met by London Council, a part owner development after what has, by of the site, from selling its any standard, been a rather CCI is to develop the site, interest to Town and City.

much of which has been used as

Eventually, T and C won and in a car park since the last war, to provide 145,000 sq ft of offices reached agreement with Campany and agreement with Campany agreement wi provide 145,000 sq ft of offices reached agreement with Camand 26,000 sq ft of shops. A
den and the GLC over its plans
Arndale centre in Poole and

of T & C. said that, contrary to retained and renovated.

"Most of the site has been little more than an eyesore since the last war and we are glad to be able to get on with the long wait"

Outside London, Town & City is currently developing the

## Metal Exchange moves house

quarters has led to British gramme at Plantation House. the 1973 purchase price of £27m, Land's Plantation House. The Exchange, which has been but thought to be worth over but thought to be worth over 2100m during the boom—which

will ultimately add another 100,000 sq ft net to the current about 100 years, plans to take 9,900 sq ft of space within Plan-354,000 sq ft net space. tation House-once the home of the "soft" commedity market-for its new market floor and On the third floor, the LME will occupy more room on a tenyear lease. The cost to it of equipping the new market area and office refurbishing is thought to be cheen 6450,000 administrative offices, hopefully by the middle of next year. On the ground floor, the LME will take a 15-year lease on just thought to be about £450,000.

THE LONDON Metal Exchange's put in by British Land. The around £160,000 exclusive, makreplace its Dickensian City head out an overall improvement proout an overall improvement pro-

But members' pressure to end overcrowding and improve faci-lities has made a move inevitable and the exchange believes the capital outlay can be met from present resources.

The lease on sale on Whittington Avenue, which has 13 years to run at a 1960 rent of around £25,000 a year exclusive, will certainly help meet the cost. Talks with a potential buyer are being held, and a figure in the region of £225,000

#### CBI space goes out to tender

federation of British Industry has instructed Jones Lang Wootton to find a purchaser for he lease of its 60,000 sq ft headquarters in Totalil Street, near Parliament Square.

The CBI owns the freehold policy. on the Tothill Street building. It is close to NIOC Heuse, the 200,000 sq f: complex which is being built for the Iranian oil company, but which may well end up with another occupier. A £4m premium is being

asked for the 125-year undermum rent of £150,000 a year. The purchaser will have to

between £30 and £60 a sq ft), and will be required to offer a proportion of the rack rental income after three years, when the returbishment should be

The property will be solld by tender, with offers closing at noon on January 9, 1980. The CBI has a fairly short

lease left on connecting space with an entrance in Dean Farrar Street and a put chaser will also have the option of taking this on and subsectivently renegotiating.

The CBI is spending \$:3m on reparing its 15 floors at Centre Point and is due to move in next July. It will be paying about £8 a sq ft rent for the 100,000 sq ft taken.

## European Community is urged to adopt accommodation policy

up if just a few of the suggestions outlined in a document prepared by the European Communities' Court of Auditors are translated into official

The court has just prepared a report on the accommodation policies of the communities institutions—the Commission. Parliament, council, and Economic and social committeeand its principle conclusion seems to be that no policy lease on the CBFs ageing head- exists. The deficiency, it sugquarters, together with a mini- gests, should be quickly reme-

The report implies that precarry out extensive modernisa-vious attempts to establish-tion (now costing anything the Communities' space needs, and eptions for financing and ownership have been piecemeal and half-hearted and that a welldefined accommodation policy

> just under 382,000 sq metres of space-office, social and storage in Brussels. Space take up has been growing at about 4 per cent a year since 1975, average rentals run at around £40 a sq metre, and all accomis rented. The majority of leases are for around nine

> years.

move to Centre Point, the Con- could be in for a major shake mission is planning 89,000 sq might remain in their present and the council is expected to need a new building of 150,000 sq metres by 1995. The paritament is negotiating for a 32,000 sq metres building on Rue Belliard to house extra staff in the wake of this year's direct

elections. But the document is at its most interesting when it sets future accommodation policy. In office market. Mr. Michael suggesting that all the bodies Nicholson, of Knight Frank and involved should at the bodies. involved should co-operate to forecast space requirements over five year periods, the court "There is an assumption that recommends the adoption of a the community bodies will common standards policy for space (perhaps implying the be knocked firmly on the head. shedding of a lot of older accommodation), and says the

is long overdue. whether their apparent preference, the court document, the EEC institutions rent sound financial management, or rely more on external property whether purchases would be more advantageous.

fully examined.

It suggests that, in some cases, they might well be better off- facing up to capital and financing costs-and acquiring valuable assets in the process modation—with the single rather than staying with rental exception of a sports complex—agreements. Direct financing via agreements. Direct financing via the community budgets or financing by member states or third

IN THE WAKE of its planned THE BRUSSELS office market court of auditors says the com- indication of how long they locations, the institutions have not pursued a purchosing policy. Long-term planning of accounmodation has, it says, been discouraged, and the choice of buildings has been determined almost exclusively by availability in the desired locations. The hope is that a better-defined

policy will now emerge. As for the implications of the court's proposals on the local Rutley's Brussels agency, says the waves could be big ones. "There is an assumption that

always rent and this could now "We could see a situation in which they will start to buy potential for sharing should be buildings or sites and go out to private contractors to get quotes The report calls on the for buildings. If they do enter institutions to consider seriously the market to buy, we can exrely more on external property expertise than has previously been the case.'

The court of auditors says the fixing of accommodation stan-dards for staff and the coordination of negotiating policies and conditions of renting have not received the attention they deserve. It hopes the posttion will change and warus that it may eventually make further parties are put forward as audit examinations—possibly in In setting down what is alternatives.

In setting down what is alternatives.

The court says it understands deals—to see if the institutions requirements in Brussels, the why, with the lack of precise have listened to what it has said.

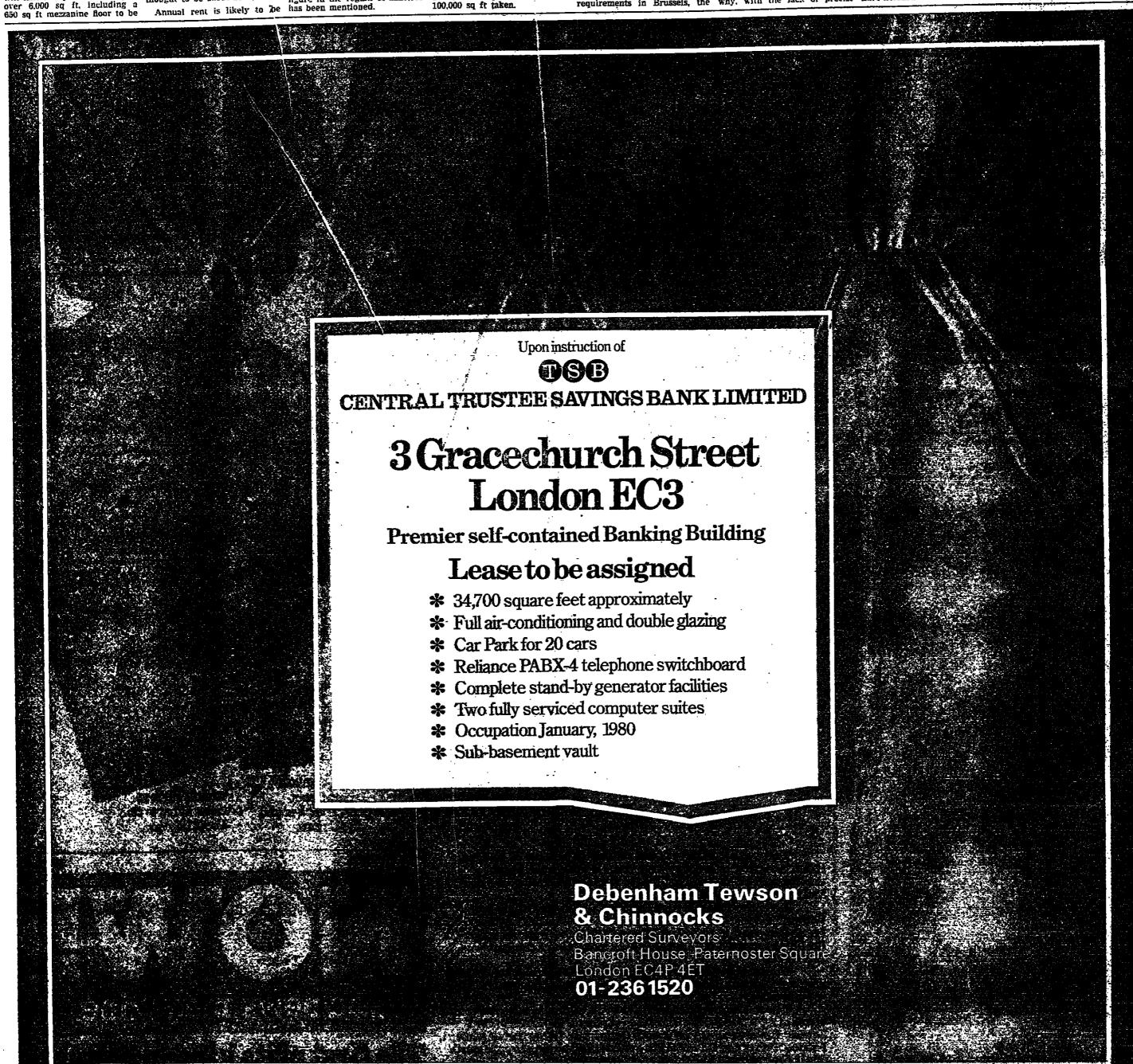
to commodities group, has sold its long lease on its 35,000-sq-ft office block in Gracechurch Street. City, for Eldin to a major private pension fund. The building is subjet on 23-year lease to Central Trustee Savings Bank at annual reut of shoot £775,000. Salasbity is seeking planning permission from Liverpool City Council to build a 29,400 sq.it supermarket, with a selfing area of 15,000 sq ft, on a former

butcher's shop and abattoir at

6 Guinness Peat, the hanking

National Centre House, next door to the National Exhibition Centre at Sheldon, Birmingham, has been sold by City of London Securities to U.S. National Cash Register for £2.8at Bernard Thorpe acted for City of London. A Raslemere Estates has let part of its refurbished effice building at 27. Throgmorton Street, London, EC2, at close to the asking rent of £13 a sq ft. Heare Govett, stock, brokers, keye taken about 2,300 sq ft and Chicago Mereartile Exchange 1.179 sq ft. • Fleming Property Unit Trust has sold for 2053,000 a
Rotherham shop arquired in
January this year for 6475,000.
In the last quarter it has
purchased shops in Bedford.
Huddersfield, Maidstone and
West Bromwich.
Sollows has rold the

West Bromwich.
Spillers has sold the remaining portion of the lease on its Cannon Street head office, near St. Paul's Cathedral, for FI.65m to Sernard Sanley, the landlords. The lease expires in 1981 with an artist to constitute the constitute of the lease of the l option to extend for a further 21 years. Agents Pepper Angliss and Yarwood are look-ing for a single tonant.





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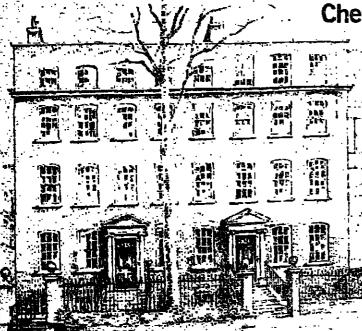
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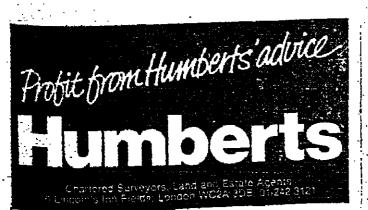
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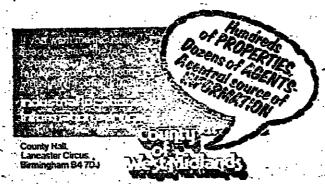
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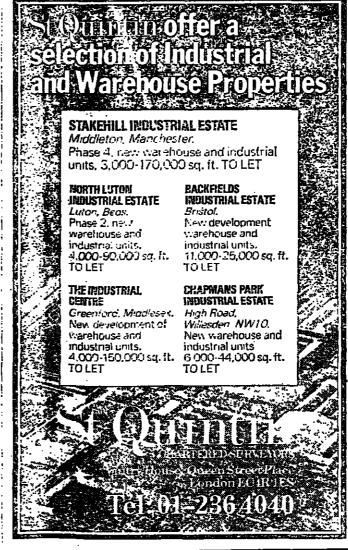
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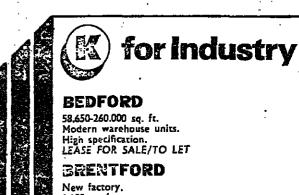
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## Same output for less work

BY ANATOLE KALETSKY

IT IS ironic that the question of working hours, which is at struck by individual employers, the centre of the bitter struggle struggling to sell their wares in in the engineering industry has individual, imperfect, markets. by both unions and employers ceive no signs of expansion in for so long that neither side their own markets, they may now seems to recognise the real feel that, in return for better issues involved.

to output, would be more likely to increase unemployment than to reduce it, unless it was accompanied by wage cuts or changes in working practices. The employers, for their part, behave as if suggestions of shorter hours were an affront to their intelligence and a threat to their very existence. In fact, constructive negotiations over working hours could provide employers with an excellent way to "buy" better productivity from their workers.

Unlike other incentives that employers can offer their workers, a cut in working time could the employers' wage bill, or reducing the workforce. Suppose, as a simplified example, that an employer offers his workers a 5 return for guaranteed improveductivity by 10 per cent.

This may look like a reasonthe benefits of better productivity are equally shared. But least half the extra 10 per cent men fell from 44.5 hours to 40.1 of output that he now produces. hours, but the average number If demand is slack, the unions of hours actually worked

may suspect that he will use the remained unchanged, at 46.6. extra productivity to lay off 10 Since 1969, however, there has per cent of his workforce. But suppose instead that the 5 per cent cut in working time. in exchange for the same im-

provements in working practtices. He will now have 5 per cent more production, without any increase in his wage bill. He may still have difficulty in selling the extra output, but he will certainly be no worse off than before the deal Classical economic theorists

may protest that an employer in the 1960s. We may now be should be able to dispose of all on the threshold of another provided that he charges the market-clearing

BBC 1

† Indicates programme

liltra high frequency only).

9.05 For Schools, Colleges, 11.25

You And Me. 11.40 For Schools,

Colleges. 12.45 pm News, 1.90 Pebble Mill At One. 1.45 How

Do You Do? 2.02 For Schools, Colleges. 3.20 Troi'r Dail. 3.53 Regional News for England

ACROSS

5 Trembling like fish (6) 10 Tear into fragments rubbish

tributions (45)

20 Trim a trec (6)

side (5)

1 Sent around coin for deposit

initially found in outhouse

hourhood in appeal for con-

II Move quickly in the neigh-

12 To be superior before having

advanced is very good (9) 13 Giant bird takes article (5)

14 Aerial component clumstly

her returning to river (7)

18 Respect new apparition (7)

22 Give reason to believe there 20

is start of rampant fever out-

24 A bodily firmness met round

25 Female monster is a bore on

26 Called Oriental to get the

27 Dwelt with soldiers joining

28 Fly rod I assembled with learner blushingly (8)

DOWN

1 My set's to be adjustedthat's the plan (6) 2 I've to follow straight

forward instruction (9) 3 Neutral course followed

by non-extreme politician

castern ship (9)

distance (5)

team (6)

piled around ring (6)

in black and white

6.40-7.55 am Open University

But productivity deals are been regarded as a red herring If employers and unions perworking practices, it is safer to The unions extol the shorter agree a cut in working time, working week as a cure for un-which would preserve the employment. But, in fact. a status quo of output, wage costs reduction in working hours, by and employment, rather than raising labour costs in relation opting for higher wages, which would involve selling extra output or making workers redundant. hen demand starts to grow again, production can be expanded, on the basis of improved working practices.

Of course detailed productivity bargaining can only occur at plant- or company-level. National agreements, like the one in the engineering industry. cannot be hinged on promises of productivity improvements. To that extent the Engineering Employers Federation is right to claim that accepting the unious' demands would be expensive and inflationary. But permit output per manhour to this begs the question of why be increased, without raising the EEF believes that centralised bargaining over conditions is so

essential. It may be that employers and unions have simply not conper cent real pay increase, in sidered working hours sufficiently important to negotiate ments in working practices locally. The systematic working which he expects will raise pro- of overtime by most of Britain's of overtime by most of Britain's manual workers has, at times, made the unions' declared policy able deal for both sides, since of moving towards parity be-the benefits of better product tween white-collar and manual workers, with a 35-hour week, the employer, saddled with a look ridiculous. Between 1948 higher wage bill, will actually and 1968, for example, the be worse off unless he sells at average basic week for manual

been a big drop in the amount of overtime worked. In the past employer offers his workers a four years, the difference between standard and actual working hours has been lower than at any time since 1958, when the campaign for a 40-hour week got off the ground. In part the reduction in overtime must be due to slow growth since 1974. But it also appears that workers' attitudes have only recently adapted fully to the reductions in working hours that occurred his ouptput in a competitive decade of reductions in working hours. Will employers and unions recognise the opportuni-

ties that this could provide?

(except London). 3.55 Play School (as BBC-2 11.00 am). 4.29 Captain Caveman. 4.40 Charlie Brown. 5.10 The Red Hand Gang. 5.35 Noah and

5.40 News. 5.55 Nationwide (Loudon and

and South-East only)

4 At the present time in this

6 Exaggeration to Indian ser-

7 Mature notice in the last

8 Conclude with wrath and

expose to injury (8)

16 Male relative with article to editor that needs polishing

19 Rubber has rather a serious

Wedding could possibly make up a loss (7)

Metallic pen for swine with

Solution to Puzzle No. 4,078

9 Healthier engineer (6)

dant (9-6)

month (5)

up (9)

part (6)

defame? (8)

fish inside (6)

13 Find new accommodation for 17 Person from Jersey

the north in reconciliation 23 Inform about marijuana (5)

place yet not in any place (7)

vant and ambulance atten-

South-East only)

6.50 Some Mothers Do

On Doctor'

6.20 Nationwide

9.25 Petrocelli

F.T. CROSSWORD PUZZLE No. 4.079

19



KENT

THIS WEEK, a 37-year-old Kent businessman has begun an enterprise that he hopes will save many of his colleagues a wearisome journey of many miles and even hours when they want to make a trip to the near-Continent.

Air Kent, founded by Robin Paine, a former senior captain dying hovercraft between Ramsgate and Calais, began scheduled services on Monday between Manston airport, in the extreme eastern tip of the county, and Brussels and Rotterdam.

Using two eight-seater, Piper Chieftain twin-turbo-Navajo prop aircraft. Air Kent is making five flights a day each way every weekday between Mansion and Brussels, and two day each way between Manston and Rotterdam. Fares are £43 single to Brussels and Rotterdam, or £86 return.

Robin Paine's philosophy is simple. "At present, businessa line, say, from Dartford to New Romney, in an area which takes in Maidstone and the other Medway towns, Ashford, and much of the East Kent miles westward—in the wrong Paine's argument is that with for Thanet East.

miles westward—in the wrong Paine's argument is that with for Thanet East.

does not want to clash with its direction—on the ground, to Air Kent's excellent interline Robin Paine expects to carry bigger brethren. "We feel there get to Heathrow or Gatwick if relations with Sabena, through more than 11,000 passengers is room for us, and that we can

## A flying start

BY MICHAEL DONNE

They have to travel, moreover a long-haul connection at Rotterdam during the first year in horribly crowded conditions Brussels just as quickly, and of the service. He has delibered the roads, and not much certainly more comfortably, for ately chosen the small, light-better in the small. better in the air."

By offering them a simple air service direct to Brussels and Rotterdam from the former Battle of Britain airfield at Manston, he is providing not just a much simplified, cheaper and shorter journey, but many other conveniences, too.

"Car parking is free at Manston," he says, "which is something worth considering when one thinks of today's parking charges at either Heathrow or Gatwick. Driving conditions in East Kent are good, too, so there is a petrol saving Ramsgate station is only two miles from the airport with frequent taxis available, and regular trains to London, while rail services to North, Mid and West Kent are

also good." All the usual facilities will be available on board in the shape of duty-free goods, free drinks in flight, while coffee and other refreshments will be available men who live anywhere east of on the ground at either end of the flight.

It is estimated that upwards them make long hauls. Robin from Mr. Jonathan Aitken, MP Paine's argument is that with for Thanet East.

they want to go to Brussels, which Air Kent bookings can be between manston and which is only 140 miles away. made, it will be possible to make and 5,500 between Manston and which is only 140 miles away. an East Kent businessman than passanger, two-pilot Piper travelling via Heathrow or Navajo Chieftain because it is Gatwick.

"We intend to give the weekday traveller many of the for- with a good spares and service gotten pleasures of old-style flying in the modern manner. I appreciate. After 50 minutes of Rotterdam or Brussels beside he says. the larger airliners, having saved a great deal of time, money and energy."

Setting up the new airline has not been easy. One major difficulty was winning the operating licence against the opposition of airlines frightened of potential business losses. Another was that of providing a full-time immigration service at Manston Airport — a battle that was only won after the personal intervention of Mrs. Margaret Thatcher, the Prime of 100 business organisations in

East Kent have personnel who

the Commons and a good deal

travel regularly personnel who travel regularly, and many of of behind-the-scenes prodding bigger carriers from Heathrow

which Air Kent bookings can be between Manston and Brussels cheap to fly, and is a thoroughly well-proven aircraft world-wide, backing in the UK.

He admits that, in the past, shall be there most days to wel- too many small new airlines come passengers and to escort have foundered because they them to their aeroplane and the pilots will be their travelling types of aircraft they used. "We companions. We believe this is are beginning small, and hoping the kind of service the time to grow into the business that conscious businessman will we think is available, rather appreciate. After 50 minutes of than starting big and hoping cossetting, he will step off in the business will grow into us,"

The Civil Aviation Authority. in granting Air Kent its licence to fly, accepted this argument, rejecting the objections of the bigger airlines such as British Airways, British Caledonian, British Island Airways and even Hoverlloyd, the hovercraft operator.

The CAA concluded that Air Kent should be able to operate profitably from a peripheral airfield such as Manston (where it will be the only passenger service operator) while being sufficiently small not to be detrimental to the services of the and Gatwick. Air Kent, in fact,

Mr. Paine.

Robin Paine himself has been associated with travel all his working life. Born in New York in 1942, he joined British India Steam Navigation in 1959 atlantic passenger and cargo routes, and as a chief officer with Townsend Ferries before joining Hoverlloyd in Ramsgate Heathrow or Gatwick. in 1969 at the start of that com-pany's cross-Channel Hovercraft operations. He became a captain with Hoverlloyd in 1971.

In 1971, Robin Paine, with two others, founded what is now

generate our own market," says outlets and a business travel department. It was through Marinair's customers that he first began to think of local air commuter services to the Contineat. With some support from local businessmen and the City as a deck cadet, and later obtained a Master Mariner's Foreign-Going Certificate and a Private Pilot's Licence. He Private Pilot's Licence He served with Cunard on trans- and those from the Medway towns who " are fed up with the obstacle courses they have to negotiate in getting to cither

> "We have already gained tremendous encouragement from local industrial and comencouragement mercial houses who claim there is an urgent need for a service of this kind," he says. "Our

## Swinging Trio for Gold Cup

SWINGING SAM and Ishiyama, two offspring of the Sica Boy mare Hi-Conkers, could both win at Ayr this afternoon. Swinging Sam is favourite for the Ladbrokes Ayr Gold Cup, and Ishiyama should be prominent in the Buchanan Selling Stakes. Robert Armstrong's team is in tremendous form and it is not

four-year-old comfortably con-quered Oh Simmle in Redcar's threequarters of a length margin on the first of this month, Swinging Sam never looked in trouble in that event, and in giving 19 lbs to the runner-up he almost certainly put up a better performance than at Redcar.

Sutcliffe's lightly weighted Swinging Trio. Although he ran inexplicably badly in a handicap at Ascot last time out, this son of Algarve previously put up two highly creditable displays at Yarmouth and Salisbury within six days.

A length winner from Glenburnie while carrying 2 lbs more at Yarmouth, Swinging Trio followed up in far stronger company at Salisbury when disposing of a smart field of sprinters for the £3,000 Hare Warren Today he is ridden by the 3 lbs claimer, Walter Swinburn.

If Swinging Trio can find his Salisbury form again (and I feel his Ascot running is best forgotten) he may be able to take advantage of the 19 lbs he receives from Swinging Sam. Ishiyama, who has come from Radlett, Hertfordshire, has not been out for a long while. But this bay daughter of Owen

My narrow preference this have been sent on this expenafternoon, however, is for sive trip were her connections another son of Swing Easy, John not hopeful of winning. She is suggested as the afternoon's best bet at Ayr. Red Sox, who has not raced for even longer, can take the Kintyre Stakes.

At Newbury, Greenland Park, whose trainer W. Hastings-Bass gained a victory through St. Theresa at Ayr on the corresponding day a year ago can land the Marlborough Stakes.

NEWBURY

2.00—Greenland Park

3.00-Idle Our Queen

4.00—Tudor Rhapsody

**LEGAL NOTICES** 

THE COMPANIES ACTS 1948 TO 1976

JON ELLIOT (FASHIONS) LIMITED

By Order of the Board, M. ISAACS, Director,

IN THE MATTER OF PUTNEY CASTINGS LIMITED AND IN THE MATTER OF THE COMPANIES ACT 1948

NOTICE IS HEREBY GIVEN that the

PHILIP MONJACK, Liquidator.

THE COMPANIES ACTS 1948 TO 1976 STERN (LONDON) LIMITED

NOTICE IS HEREBY GIVEN, pursuant to section 253 of the Companies Act 1948, that a Meeting of the Creditors of the sbove-named Company will be held at

sbove-named Company will be read at the offices of LEONARD CURTIS& CO... Structed at 3/4 Bentinck Street, London W1A 3BA. on Fridey, the 28th day of September 1979, at 12 o'clock midday, for the purposes mentioned in sections 294 and 295 of the said Act.

Dated this 13th day of September 1979

By Order of the Board. DAVID LANZKRON, Director.

IN THE MATTER OF
THE COMPANIES ACT, 1948
AND IN THE MATTER OF
GUY NORRIS LIMITED
Registered Office:
7. Trinity Square, Colchester, Essex.

NOTICE IS HEREBY GIVEN pursuant to

1979.

Situated at 3/4 Bentinck Street, London V/IA 3BA,

3.30—Battle Wind

4.30-Wadi Ali

2.30-Henbit\*

AYR 2.00—Golden River\*\* 2.30—Yeatò 3.05—Swinging Trio 3.35—Nationwide 4.05—Ishiyama\*\*\* 4,35—Dunderave 5.05—Red Sox

ABELPHI. CC. S. 01.836 7811.
A SUMPTUOUS NEW PRODUCTION OF MY FAIR LADY
OPENING OCT. 25 at 7.
Subs. Evgs. 7.30. Sats. 4.90 and 7.45.
Mass.; Thursdays at 3.00.
TONY BRITTON
LIZ ROBERTSON. PETER BAYLISS.:
and ANNA NEAGLE
IN THE WORLD'S GREATEST MUSICAL
MY FAIR LADY
Reduced price previews
OCTOBER 10 to 24
Book New Adelphi Theatre and Abents.
Credit card and party bookings 836-7611
ALBERY. Frem 8.30 am incl. Surs. 836

ALDWYCH. CC. 838 5404. Into 836 5332.
Fully air conditioned.
ROYAL SHAKESPEARE COMPANY
in reportoire

Section 293 of the Companies Act, 1948, that a MEETING of the CREDITORS of the above-named Company will be held at Undon Wall,
London Wall,
London, E.C.2.
on Tuesdov, 9th October 1979, at
3.00 p.m. for the purpose mentioned
in Section 294 et seu of the said Act.
Dated this 14th day of Saptember
1979.

By Order of the Board.
G. M. NORRIS, Director. THE COMPANIES ACTS, 1948 TO 1967
AND IN THE MATTER OF
F. C. SEAGER & SON LIMITED (In Liquidation) NOTICE IS HEREBY GIVEN pursuant

NOTICE IS HERRENT OF YEAR PURSUANT SECTION 239 of the Companies Act.

1948 that a GENERAL MEETING of the MEMBERS of the above-named Company will be held at the Offices of FLOYD NASH & CO...

Chartered Accountants of 23, Clifford's Inn.

Fatter Lane, E.C.4,

The Charter Lane, E.C.4.

Fatter Lane, E.C.4.

In the City of London,
on Friday the 26th day of October
1979 at 3 p.m. to be followed at
3.30 p.m. by a GENERAL MEETING of
the CREDITORS for the purpose of
receiving an account of the Liquidator's
Acts and Dealings and of the conduct
of the Winding-Up to dote.
Dated this 17th day of September,
1979.

R. E. FLOYD, F.C.A. R. E. FLOYD, F.C.A.,

#### GUIDE OPERA & BALLET

COLISEUM. Credit cards. 249 5258.
Reservations B36 3161
Reservations B36 3161
Reservations B36 3161
Congret & Tuest. 730: La Travitat Tomor.
7.30: Die Fledermaus. Wed. 7.00: Alda.
Theris. 7.30: La Cenerentoia. 104 belcony
Seats avait. from 10 am on oay of perf.

18 Jm on day of oer!.

SADLER'S WELLS THEATRE. CC. Rosebery.
Avc. EC!. 837 1572. Last week.
SADLER'S WELLS
ROYAL SALLET
Eves: 7.30. Mats. Sat. 2.30. Tonight &
Tomor.: Meadow of Proverbs. La Fese
ctrange, Pineapple Poli. SADLER'S WELLS THEATRE. Rosebery
Ave. Eci 837 1872. Sent. 24-Oct. 9.
Evgs. 7.30. Mats. Sals. 2.30.
PACO PENA'S
FLAMENCO COMPANY
"A blaze of Spanish sunshine." E. News.

THEATRES ADELPHI THEATRE. 01-836 7811.

Mats. Thurs. 41 5.00 and Sat. 4.00.

"GLORIOUS FARCE. Daily Telegraph.

CHARLES ADMY
LAST TWO WEEKS

Ton't., Tomor. 7.30, Sat. 2.00 & 7.30. LOVE'S LABOUR'S LOST

"As perfect as anything can be this side of heaven," Gen. "The evening offers nothing but eachantment." S. Express. With: Moss Hart and George S. Kaulman's comedy ORICE IN A LIFETIME (next per 17 Sept.). Now bus, Goritys CHILDREN OF THE SUN GOW price prevs from 3 Oct.). RSC also at THE WAREHOUSE (See under W).

OF THE SURI BOW DICE DIEST FROM 3 OCT.

RSC also at THE WAREHOUSE (See under W).

AMEASSADORS. CC. 01-836. 1171.

ESS. 8,00. FF1. and Sal. 3.30 and 8.30. DINSDALE LANDEN. GWEN WATFORD DAVID BURKE, ANGELA DOWN

RODIES

BY JAMES SHURDERS

"173 MPACHES SHURDERS

"175 MPACHES SHURDERS

"176 MER HAVE LAUGHED AT 175

BILLECTRIFIES." DAILY MAIL

"HEN WE HAVE LAUGHED AT 175

DRAMA AND REVELLED IN THE GOIDERS

WHEN WE HAVE LAUGHED AT 175

DRAMA AND REVELLED IN THE COLOUR AND LAYERS OP 115

LANGUAGE. BODIES STILL RAISES

ECHO AFTER ECHO IN OUR MINDS

AND HEARTS. DINSDALE LANDEN'S

ECHO AFTER ECHO IN OUR MINDS

AND HEARTS. DINSDALE LANDEN'S

FERFORMANCE IS WORTH GOING

MILES TO SEONIS SHURDERS

IS THE BEST PERFORMANCE IN A MODERN PLAY NOW TO BE SEEN IN A MODERN PLAY NOW

Daily Mail.

ARTS THEATRE 01-836 2132.
TOM STOPPARO'S DIRTY LINEN
"Hilarious . . . do see it." Sun. Times.

Monday to Thursday 8.30. Friday and Saturday 7.00 and 9.15.

NOW IN ITS FOURTH YEAR
LOWEST-Dried best seats in London, 54.00. £3.55, £1.60 plus 15p temp. members.

PINTORNAMES IN LONDON
PINTH,
BENT
BY MATCH Sherman.
Directed by Robert Cherwin.
"FASCINATING ... A WORK
CONSIDERABLE DIGNITY AND
PASSION." Gaardan.

THEATRES DUCHESS, 01-836 8243, Non. to Thurs. Evs. 8.00. Fri. and Set. 5.30 and 8.15 ON: CALCUTTA! The medity is stomates. Daily Mail. TON: INCREDISIZ YEAR DRURY LANE. CC. 01-838 B 108. Opens September 25th at 7.00. Rewisws from TOMORROW 8.00 CAROL CHANNING IN HELLO-DOLLY with Eddle Bracken. Box Diffice slow ones GROUP BOOKINGS 01-730 2293.

FORTUNE CC 01-836 2238, Evs. 8-00. Thuri. 3-00. Saburdays 5-00 and 8-00. AGATHA CHRISTIES MURDER AT THE VICARGE FIFTH GREAT YEAR GARRICK, CC. 01-836 4601; Evs. 8,00.
(sharp), Wed. 3.00, Sal. 5.30 and 8:30.
GARCTH HUNT in FRA LEVIN'S
DEATH TRAP
"BEST THRILLER." Duly Telepraph.
"VERY INGENIOUS. VERY FUNNY,
VERY EXCITING." Fin. Times.

"VERY INGENIOUS. VERY FUNNY,
VERY EXCITING." Fin. Times.
GLORE THEATRE. CC.: 01-G37 1592.
Mon. to fin. 200. Mats. Wed. 3.00.
Seturdays 5.00 and 8.30.
ANTON RODGERS
CEMMA CRAVEN
DIANE LANGTON
ANDREW C. WADSWORTH
GAVID HEALY IN
MONTY. NORMER MURICIAL MAGIC.
"A TOUCH HOF MUSICAL MAGIC."
"A TOUCH HOF MUSICAL MAGIC."
NOW. "THIS STURBING OCCASION.
THE SETS BRITISH AUSICAL OF THIS YEAR AND A FEW GONE BY FIN.
THESE SET BRITISH AUSICAL OF THIS YEAR AND A FEW GONE BY FIN.
THESE STENDERS WITH DELIGHT." EVER SANDERS "THE CAST
IS BRILLIANT." EVEN NEWS.
GREENWICH YHEATRE. CC. 01-838 7765
DOESS TOMBET 7.00. Subs. 2.00. Mat.
SSTS. 2.30. THE PASSING GUT PARADE
BY ANNE VSERY.

HAMMARKET. CC. 01-930 9832.

by Anne Valety.

IAYMARKET. CC. 01-910 9832.
Evenings-8-30. Wed. 2-30.
Sat. 4-30 and 8-00.
GERALD ATE
HARPER D'MARA The SHERLOCK HOLMES MYSTERY
THE COLUMN OF BUILDING
"The kind of spectacle 1 transcr recall
since boylood - certific stort." E. News
HER MALESTY'S. CC. 01-930 (6608.
Eyps. 6.00. Macs., Wed. 3.00. Sat. 4.15
and 8.15.
Can you muss who dunnik?

CAR YOU TURNS WHO CURRE?

THE CASE OF THE ORLY LEVANTINE
the new play by ANTHONY SCHAFFER
AUTHOR OF SLEUTH
SIRTHIN THYWEL BEINNETT
"ANTHONY SCHAFFER": LATEST
THRILLER TO END ALL THRILLERS
PARODIES THE CLASSIC AGATHA
CHRISTIC COUNTRY HOUSE MURDER
MYSTERY." N.C.W.
"A MAZE FULL OF PLEASURE TWICE
AS SLIPPERY AS SLEUTH AND
WICKEDLY INGENIOUS." E.D.P.
"A SPOOF OF ALL THOSE AGATHA
CHRISTIC TYPE MYSTERIES OF THE
30s." D. DOD.

30s." D. &pp.

KING'S HEAD.

Dinner at 7.30. Show at 8.30.

FIFTY WORDS

SITS OF LENNY BRUCE

"SHEER BRILLIANCE." Time Out.

AN EVENING OF SHEER BEVERBERATIVE RICHNESS. LAUGHTER AND

DELIGHT." Guardian.

"WITTY. PROVOCATIVE SHOW." E.SM.
"A FUNNIER EVENING THAN I COULD

EVER IMAGINE SPENDING WITH

LENNY BRUCE HIMSELF." What's On.

LYRIC HAMMERSMITH. 01.741 9211 LYRIC HAMMERS-MITM. 01-741 2311.
Now rebult and restored to its original Victorian splendour. Theatre opens 18 Oct. Booking open new for Shaw's comedy YOU NEVER CAN TELL

OCT. BOOLING OPEN BOW for Shaw's comedy YOU NEVER CAN TELL
LYRIC THEATRE. CC. 01-437 3586.
Evgs. 8.00. Mass. Wed. and Sat. 3.00.
HESSICA HUME.
TANDY
THE GIN GAME
Directed by
MIKE NICHOLS
"TWO RARE AND SUPREME
PERFORMANCES." Guardian.
"EXTREMELY FUNNY." New Yorker.
LAST. 3 WEEKS. MUST END 6 OCT.
MAYFAIR THEATRE. 01-629 1035. From Sept. 25 Evgs 8.0. Fr & Sat 6.0 & 8.30.
George Sewell
Dermott Waish is
THE HIT THRILLER
WHO KILLED
"The bast thriller since 'Sleuth'" New
National. Theatre. CC. 028 2222

Satesman.

NATIONAL THEATRE. CC. 928-2252.

OLIVIER (open stage): Ton't 7.30. Ferror

2.45 & 7.30 UNDISCOVERED COUNTRY

by Arthur Schnitzler in a version by Toh

Stocound.

NATIONAL THEATRE CC. 928 3232.

OLIVIER CORN SLOPE: TCN: 7.30. Formor CLIVIER CORN SLOPE: TCN: 7.30. Formor CLIVIER CORN SLOPE: TCN: 7.45 7.30 UNIDISCOVERED COURTRY Shootand.

ATTELLION GROSCONIUM SLOPE: TCN: 7.45. Tomor J.O. & 7.45 DEATH OF A SCHILLION GROSCONIUM SLOPE: TCN: 7.45. Tomor J.O. & 7.45 DEATH OF A SALESMAN by Arthur Miles.

COTTESLOE (Small auditorium): Mon to St at 8.0 WINGS by Arthur Kont.

Excellent cheap seats from 10 am day of peri all 3 theatres. Car Dark. Restaurant 928 2033. Credit card bookings 928 3052.

OLD VIC. 928 7618. Lendon Milme Theatre "Stuture Sooi". Evenings 928 3052.

OLD VIC. 928 7618. Lendon Milme Theatre "Stuture Sooi". Evenings 928 3051.

OLD VIC. 928 7618. Lendon Milme Tender "Stuture Sooi". Evenings 928 3051.

18th-century comic coerts and farce. This PADLOCK (MISS IN HER TENNS. Previous from Sect. 23. For further information on the MERSON ring 251 1821.

OLD VIC. 928 7616. Equitin Music PADLOCK (MISS IN HER TENNS. Previous from Sect. 23. For further information on the MERSON ring 251 1821.

OLD VIC. 928 7616. Equitin Music Theatre in the world promisers of the first Kubuki Opera "An Actor"s Revenge" by Mild (Sch. 6th. 10th.; Chr Guobert. And Mogari's 12 Eints Glardining (9th. 11th.; 13th. Ontobert.

OPEN SPACE. 887 6969. Toda 10 Sinn 8. Becch's Privater Life Op Time This Death of the first Kubuki Opera "An Actor"s Revenge" by Mild (Sch. 6th. 10th.; Chr Guobert. And Mogari's 12 Eints Glardining (9th. 11th.; 13th. Ontobert.

OPEN SPACE. 887 6969. Toda 10 Sinn 8. Becch's Private Life Op Time This Death of the first Kubuki Opera "An Actor"s Revenge" by Mild (Sch. 6th. 10th.; Chr Guobert. And Mogari's 12 Eints Glardinin.

PALACE. CC. 01-437 6834.

MOR. Thors. 5.00. Fri. Sit. 5.00 8.40.

JESUS CHRIST SUPPERTY Sit. 8.40.

PALACE CC. 01-437 6834.

MOR. Thors. 5.00. Fri. Sit. 5.00 8.40.

JESUS CHRIST SUPPERTY Sit. 8.40.

PALACE CC. 01-437 7635.

PALADIUM. CC. 01-437 76375.

PALADIUM. CC. 01-437 6837.

PALACE CC. 01-437 5071. Evening Supperson.

PALACE CC. 01-437 5071. Evening Sup

ENTERTAINMENT. The SUN.

PRINCE EDWARD. CC. 01-437 6877.

Evenings 8.00. Mala. Thurs. 21 3.00.

EVITA

BY TIM Rice and Agelete Lione Webber.

Directed by Marcid Prince

PRINCE QF WALES. CC. 01-830 8881

Card bockings 930 0846. Mon. Thurs.

8.00. Fri. and Sat. 5.00 and 8 45.

LAST WEEKS MUST END 29 SEPT.

MICHAEL Denison. Dulcin Gray.

ALANI WEEKS MUST END 29 SEPT.

MICHAEL Denison. Dulcin Gray.

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the sponsors. The Newmarket Bass Rosebowl, then beat Touch Pirate more easily than the might suggest in Friends of the Variety Club Handicap at Ripon

Anthony is reported in fine trim and I feel sure she would not One; North West (Manchester 19.20 The Jack Benny Show (London and South-East

starring Boris Karloff.

SCOTLAND - 9.25-9.45 and 'em 6.20 Reporting Scotland. 10.15
7.25 What A Carry On: "Carry Beechgrove Gardeners at Large —George and Jim Go Dutch (The gardening scene in Holland). 10.45-10.50 Regional,

WALES - 1.45-2.00 pm Y 2.02-2.22 I Ysgolion 5.55-6.20 Wales Today. 6.50 Heddiw. 7.15-7.25 Barney Bear. 10.15 Inter-

Rockford Files. NORTHERN IRELAND-3.53-

National News. ENGLAND-5.55-6.20 pm Look East (Norwich); Look North (Leeds, Manchester, Newcastle); Midlands Today (Birmingham); Points West (Bristol); South Today (Southampton); Spotlight South West- (Plymouth). 10.15-10.45 East (Norwich) Seven Burnhams; Midlands (Birming-ham) Erosions of Grandeur;

only) 10.45 Regional, National News 10.50 The Late Film: "Targets"

Ail Regions as BBC-1 except at the following times:

10.15 Points of View (London National News.

Cowboi Bach (cyfres) Puppets. mezzo on Interstate 5. 11.95 News for Wales. 11.06-11.55 The

5.55 pm Northern Ireland News. 5.55-6.20 Scene Around Six. 10.15 Belfast Afloat (Portrait of HMS Belfast). 10.45-10.50 Regional.

North (Leeds) Atkinson, Huby; North East (Newcastle) Two-to-

Home Ground; South (Southampton) Cusden on Location; South West (Plymouth) South West (Plymouth) Journeys Into Light; West (Bristol) Summer Serenade.

BBC 2

NOTICE IS HEREBY GIVEN, pursuant to section 293 of the Companies Act 1945, that a Meeting of the Creditors of the tabove-named Company will be held at 6.49.7.55 am Open University 11.00/Play School the offices of LEONARD CURTIS & C

bury 445 International Badminton 4.50 Open University 6.55 Gardeners' World 7.25 Mid-Evening News

7.35 It's A Dog's Life 8.05 Kilvert's Diary 8.20 John Laurie in "The Old Boy Network" 19.00 "The Maltese Falcon," starring Humphrey Bogart, Peter Lorre and Sydney Greenstreet 10.40 Late News

NOTICE IS HEREBY GIVEN that the creditors of the above-named Compeny, which is being voluntarily wound up, are required, on or before the 24th day of October, 1979, to send in their full Christien and surnames, their addresses and descriptions, full particulars of their debts or claims, and the names and addresses of their Solicitors (if any), to the undersigned PHILIP MONJACK, FCA, of 3/4 Bentinck Street. Landon WIA 3BA, the Liquidator of the said Company, and it so required by notice in writing from the said Liquidator, are, personally or by their Solicitors, to come in and prove their debts or claims at such time and place as shall be specified in such notice, or in default thereof they will be excluded from the banefit of any distribution made before such debts are proved.

Dated this 12th day of September 1979. 10.55 Darts: The Unipart World Team Matchplay

11.45 International Badminton (highlights) 12.30 am Closedown

**CHANNEL** 

Channel is the only IBA company transmitting programmes during the present industrial dispute. Details of this local service are given below.

1.20-1.30 pm Chennel Late News. What's on Where. 5.00 Pullin's Sirth-day Greekings. 5.05 Kum Kum. 5.30 Frends of Man. 6.00 Report at Six Extra. 7.00 McMitjan. 8.15 Feature Film: "Call of the Wild." 9.55 Channel Late News and Weather. 10.00 Mannix. 10.55 News in French.

RADIO 1 (\$) Stereopi 5.00 am As Redio 2. 6.00 Dave Lee Travis. 5.00 Simon Bates. 11.31 Paul Burnett. 2.00 pm Andy Peebles. 4.31 Kid Jensen. 6.31 Roundtable. 8.60 Al Matthews. 5.50 Nawabest. 10.00 The Friday Rock Show (S). 12.00-5.00 sm As Radio 2.

RADIO 2 RADIO 2
5.00 am News Summary. 5.03 Tony Branden (5). 7.32 Terry Wegan (S). 10.03 Jimmy Young (S). 12.15 pm Waggeners' Welk. 12.30 Pete Murray's Open House (5). 2.15 David Hamilton (S) Including Racing from Ayr. 4.15 Much More Music (S), 5.00 News. 5.05 V/aggeners' Welk. 5.20 John Dunn (S). 6.45 Sports Desk. 7.02 Quote . . . Unquote (S). 7.05 Fieste de Dorits (S). 8.02 Finday Night is Music Night (S) including 8.40-9.00 A visit to France. 9.55 Sports Desk. 10.02 Victor Sylvester Junior at the Radio 2 Ballroom. 11.02 Brian Matthew with Round Midnight, including 12.00 News. 2.02-5.00 You and the Night and the Music with Tim Gudgin (S).

RADIO 3

RADIO 3

16.55 am Weather. 7.00 News. 7.05
Overture Concert, part 1 (\$1). 8.00
News. 8.05 Concert, part 2. 9.00
News. 9.05 This Week's Composers:
Cavalli and Canssini (\$). 9.55 8BC
Northorn Ireland Orchestra (\$). 10.45
A Russian Concert, part 1 (\$). 11.35
Interval Roadina. 11.40 Concert, part

1.2.20 pm 8BC Northem Symphony
Ombestra Concert, part 1: Elgar.
McCahe (\$). 1.00 News. 1.05 Playbiti (\$). 1.20 BBC Northem SO
Concert, part 2: Tchaikovakv (\$). 2.00
The Arts Worldwide. 2.20 American
vieno Mwalc (\$). 3.05 Karajan: The
Early Years. 4.25 Comparino Notes
with Christopher Hoqwood (\$). 8.25
Homeward Bound (\$) including 5.45
5.50 News (\$ and mone only from
5.45). \$5.15 At Home. 7.10 Pide Piper
with David Munrow (\$). 7.30 Master
and Pupil: Leachottsky and Moiseiwitsch. 8.00 Celibidacha and the 150,
nart 1: Mazart, Sibelius (\$). 8.45
Decaying Solendours (Bangalore
Palace). 9.05 Celibidacha and the 150,
nart 2: Prokešov (\$). 10.00 in A
Nitrabell (\$). 10.90 Music New. 10.55
Sacred Gardon Of Delights (\$). 11.5612.70 News VHF only—6 00-7.00 am and 5.45-7.10 pm Open University.

RADIO 4

RADIO 4

8.00 am News Brisling. 8.10 Ferming Today. 6.25 Shipping forecast.
6.30 Today, including 8.45 Prayer for the Day. 7.00, 8.00 Today's News, 7.30, 8.30 News Headines, 7.45 Thought for the Day. 8.45 Diary of a Somebody.
9.00 News. 9.05 Baker's Dozen. 10.00 News. 10.05 From Our Own Correspondent. 10.30 Deily Service. 10.45 Morning Story. 11.00 Down Your Way visits Beverley, Humberside. 11.40 Announcements. 11.45 Listen with Mother. 12.00 News. 12.02 pm You And Yours. 12.27 The Enchanting World of Hinga and Bracket (\$). 12.55 Weather; programme news. 1.00 The World At One. 1.40 The Archers. 1.55 Shipping forecast. 2.00 News. 2.02 Woman s Hour from Bristol. 3.00 News. 3.05 "The Girl Who Came To Suppar," musical by Neel Coward (\$). 8.00 PMt. News magazine. 5.50 Shipping forecast. 5.55 Weather, programme news. 5.00 News. 7.05 The Archers. 7.20 News. 7.05 The Archers. 7.20 News. 7.05 Neek (\$). 8.10 Profile. 8.30 Any Questions? 9.15 Letter From Americs. 9.30 Kaleidoscope. 9.59 Westher. 18.00 The World Tonight. 10.30 Week Ending. 10.55 Sounding Off. 11.00 A Book At Badtime. 11.15 The Financial World Tonight. 11.30 Trevals of a Gentleman. 11.45 Just Refore Midnight, 12.00 News. BBC Radio London

5.00 am As Radio 2. 6.30 Rush Hour. 10.03 The Robbie Vincent Talephore. Programme. 1.03 London Live. 3.03 Faul Owens' Showcase. 4.30 London News Cesk. 5.35 Look, Stop. Listen. 7.03 Black Londoners. 8.00-5.00 am As Radio London Broadcasting 5.00 cm AM with Bob Holness and Doug Comerch. 10.00 The Brian Hayes Show. 1.00 pm. LaC Reports with Max Miller and Alan Clark. 3.00 George Gale's 3 O'Clock Call. 4.00 LBC Reports with Paul Ingrams and Alan Clark. 8.00 After Eight with Thorose Birch. 8.00 Nightline with Stove Jones. 12.00 LBC Reports Midnight. 1.00 am Night Extra with Hoch Williams. 4.00 Our Kind of Town. 5.00 Morning Music. Camital Radio

6.00 am Graham Dene's Breaklast Show (5). 3.00 Michael Aspel (5). 12.00 Deve Cash (5). 3.00 pm Roner Scott (5). 7.00 Lendon Teday (8). 7.30 Open Line with Ric Davia (S). 9.00 Nicky Home's Your Mother Wholdin's Like It (5). 11.00 Mike Allen's Lata Show (S). 2.00 am John, Sach's Night Flight (S).

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San Sebastian Film Festival

At the San Sebastian Film Fes-

tival this year, deep in the heart of the Basque crisis, a sense of

nervous and skin-deep tranquillity reigned. Although a few brave noises of greeting were

made to incoming journalists, one felt rather like a not-too-

welcome visitor to the Alamo during a lull in hostilities.

Everyone semed to spend most

of his time looking at the pow-der kegs in case a stray bullet should whoosh in and blow everyone up.
There was an actual bomb-

scare one night in the main

Olivier

## As You Like It

by B. A. YOUNG

Many of my colleagues. I am make their merry exchanges oppression of the crooked sure get those letters that begin anything but tedious in the Duke's regime. Miss Kestelman "I know it is not done to write circumstances." Mr. Dexter's has the avid glamour of a punk to critics, but . . " and go on reply is that their exchanges rocker as she goes as far as to explain some point in a are not at all merry.

"I know," he says, "that Callow's romantic Orlando with liven misunderstood. My reacthese scenes are always interout letting him score till she tion is always to reply that it preted with a kind of idiot is ready for it ought to be done to write to gaiety which is totally at odds critics, that players and critics are in the same campaign to make the theatre as good as it can be. My letter from John Dexter about As You Like It and the same is distressed, raeful, lonely, but not ever merry." And it is true Michael Bryant's Jaques, played the same campaign to mot ever merry." And it is true Michael Bryant's Jaques, played the same campaign to mot ever merry." And it is true Michael Bryant's Jaques, played the same campaign to mot ever merry." make the theatre as good as it can be. My letter from John is distressed, raeful, lonely, but not ever merry." And it is true did not, as it happens, open with the usual formula (it opened "As yours was the only newspaper handed out on the Concorde." a very proper situation of the Concorde." True, it is she that and Greg Hicks as Phebe and Silvius (how well Mr. Hicks sneaks his beautiful lines on production again. As this could hardly fail to give me pleasure, I did so, at Wednesday's

matinee: Now quite apart from the point that Mr. Dexter makes, let me say that the first half of the performance is trans-figured since the leaden playing of the first night. Slow it re-mains, but it is no longer ponderous. It has a classic deliberation that illustrates the mood which the director requires. "Neither Sara Kestelman nor Marjorie Yates." I of Arden you can see the gay, myself, and know how right I wrote in my notice, "is able to sexy Rosalind, unfettered by the was.

Cologne City Opera

is his own

of staging the gigantic fairy-

A narrow red wicker-work plat-

Vertical lighting, either on

surfaced floor, ensures that no

one casts a shadow. Instead,

each followed by a faceless, black-clad Doppelgänger. The

the only scenery.

production, by Jean Pierre two toss silver fish into the Ponnelle, of Die Fron ohne ing pan for Barak's supper.

tackles the notorious difficulties climactic moment when the

tale concocted by Hugo von Water of Life, and from the Hofmannsthal and Richard rear of the stage her newly

Strauss by turning it into a acquired Shadow walks slowly Kabuki drama. Symbolism is forward to stand behind her.

directions are followed literally. imposed Kabuki straitjacket has

thin steel pillars to indicate the ance is as spare and uncluttered

taken at face value, while stage The formal severity of his self-plary.

Many of my colleagues. I am make their merry exchanges

ment. True, it is sue the finally proposes to watch the Silvius (how well Mr. muss wrestling, but in a half-hearted speaks his beautiful lines on the nature of love), Martyn way, after it has been generally agreed that breaking of ribs is no sport for ladies.

What we now see, and did not see on the first night, is a dejected hour in the life of a Wicholas Selby's smoothly evil witty woman. Act 1 sparkles with hints of the pleasures to come, but both for brother-pany is admirable. oppressed Orlando and uncle-oppressed Rosalind existence is oppressed residues, and there is no suggestion in this production that it is anything else. The function comes later, when in the Forest

Die Frau ohne Schatten

City Opera opened with a new bad's kingdom, while another consonants sometimes drowned

ry striking: in particular, the

Empress refuses to drink the

kept Ponnelle's sometimes over-

form bridging the width of the fertile imagination within strict the Empress; her glance per-

stage rises and falls on elegantly limits. Musically, the perform- petually follows the black

Spirit Kingdom above or the as the staging. John Pritchard, Wife with a longing that is Earth below. Apart from various conducting the obedient Gürze- transmitted through her sing-

movable stair cases and chang-nich Orchestra, achieves a quite ing. Though not wholly at ease ing backcloths—one a black unusual clarity and trans- in the Alpine regions of her

mirror—this structure forms parency of texture to irradiate vocal line, she too offers a per-

the wicker-work or on a shiny- everybody's taste, but the loss Hermann Winkler contributes a

the human characters-Barak, in solo wind passages especially, more often heard in the role.

his wife and his brothers—are and by the ease with which the His aria in the Falcon House each followed by a faceless, singers are able to surmount gives particular pleasure in the

Falcon materialises whenever Gwyneth Jones sings the orchestral accompaniment, its theme is heard in the Dyer's wife. It is her first Helga Dernesch, recently transporchestra, the singer (Karin attempt at a part to which she posed from soprano to mezzo,

is temperamentally well suited.

the orchestra.

Empress and Nurse to Keiko- stridency in louder passages

two toss silver fish into the fry- in tonal tide-waves-is a small

the mammoth score. This formance strongly balanced on approach to Strauss is not to the credit side. As the Emperor,

in sheer opulence of sound is fresh and lyrical voice, lighter

offset by many gains in detail, in timbre than the Heldentenor

not over-sweetened - is exem-

Siv. Wennberg brings unusual

character and determination to

figure trailing behind the Dyer's

context of Mr. Pritchard's airy

makes a superb Nurse, a tall

Whitby as Charles, a man as well as a wrestler, Oz Clarke as a musical but unexpectedly Irish Amiens, and at the upper end Nicholas Selby's smoothly evil Frederick. Dermot Crowley's

Whatever differences the director may feel there were between us, at least when I meviewed the play last month I recommended people to see it twice. I have now seen it twice



ditions prevailing in Northern Spain, these failings are perhaps easy to understand and fergive. Less excusable was the treatment ineted out to the Press at competition screenings. Critics were nightly herded up to the balcony of the festival palace to watch the films, which they managed to do through a silhouetteplay of late-comers and early leavers who clumped along the wood-floor aisles in the inress and egress. Surely next year if there is a next year for San Sebastion—journalists will be allowed to watch the films in conditions more conducive to concentration?

San Sebastian has a glorious past as a film festival and may have a glorious future. And even in this year of crisis, there were vestiges of Iberian high style: notably in the deliriously exotic welcome given to those entering the theatre every evening by serried rows of costumed pipe-and-drum players lining the stairs in the lobby.
And among the films, there one to pay for a warm and Ponnelle, of Die Front anne ing pan for Barak's supper.

Schatten (The Woman without The stage pictures resulting committed performance. Walter is Shadow). Ponnelle, who as from this stylisation are often Berry's gentle Barak makes a usual is his own designer, were striking in particular the perfect foil to Miss Jones's

vehemence. He, too, sings with | lucci's hectic florid and beauticonviction, and his phrasing of the luscious tune of "Mir anvertraut"—at the beginning of singer (Jill Clayburgh) and the third Act, full of feeling but her stormy liaison with her not over-sweetened — is exem drug-addicted teenage son (Matthew Barry) came to San Sebastian trailing a mixed bag of reviews from the Venice festival. Artistic doomwatchers who thought that Signor B. had

taken a wrong turning with 1900 (or maybe even earlier, with Last Tango in Paris) saw symptoms of further distraction this heady mixture of Oedipal melodrama and Grand-Operatic direction. For my money, the opposite is true. Bertolucci has found his

form in Luna after years of modish nodding in the direction of Italian radical cinema. He has thrown politics out of the window and made a personal, even defiantly solipsistic film. Luna viscerally beautiful photography and staging—the diagrams of Bertolucci's camera movements would resemble sketches for a rococo churchwith a story calculatedly poised on the edge of operatic exagger-

Jill Clayburgh is in fine form as the New York-based diva who whisks her son off to Italy after his stepfather's death, to acquaint the boy with his child-



finally takes recourse to sooth-

quite whether to laugh or to cry. But it's the kind of absurdity that opera itself boasts—a reckless intermingling of the on the vexed issue of sublime and the ridiculous—
separatism. Trial in Burgos is and it is Bertolucci's love affair a plodding, talking-heads docu-

this film and who inspires in it execution by firing squad. a lead role, and punctuating a young woman learning to be excerpts from his 1947 movie a good Communist by attending Germany Year Zero-it is hard some sort of political training to know what unifies this odd school is shot in a holy, amber

Three young social rebelstwo men and a girl-meet, talk, love and part among the soaring towers and surrounding fields of San Gimignano. The Taviani brothers' staccato series radicalism are hung out to air -agricultural communes, street theatre-but the wind of life doesn't stir them nor the sun of emotion warm them. Perhaps the film needs a second viewing or an adequate English translation-to reveal its riches. Among the homegrown entries at San Sebastian, the liveliest was Carlos Saura's Mama Cumple 100 Anos (Mother

an Italian lover of Miss Clay- a large and daft cast of characburgh's). Soon horror intervenes ters in a cheerfully offbeat —she discovers her son to be a story. The characters in this heroin addict—and after much film have been brought over mother-son in-fighting Miss C. lock, stock and mannerism from an earlier Saura film, Anno and ing the boy with sex. the Wolves, and they enact once Wrapped in wondrous cocoon more a family reunion in a of operatic bits and pieces rambling hilltop villa. Geraldine (soundtrack snatches from Verdi Chaplin swans through the film and Mozart, a stunning sequence looking more and more like a

Saints alive! by NIGEL ANDREWS

built around a Rome perfor young Katharine Hepburn; mance of Trovatore). Luna scenes briefly explode in attacks the demented fringe of humour or surreal madness; and human relationships with all the there is a brilliant coup de fierce exoticism of Last Tango In cinéma during Mama's birthday Paris, but with a wholly new party that brought an ovation humour. It is, arguably, an from the festival audience. "absurd" film: you don't know (Wait and see it for yourselves when the film comes to London.) More sonorous and serious

with Italy's most cherished art mentary in which sundry Basque form that fuels and fires this militants speak to the camera thrilling, haunting movie.

From Paolo and Vitorio and their persecution under Taviani, who made Padre Franco. Companys: Trial in Cata-Padrone, came Il Prato. Apart lonia is marginally livelier: the from a love for the departed story of Cataloniaan leader Luis genius of Roberto Rossellini, Companys, whose attempt to Companys, whose attempt to Italy's master of Neo-realism lead his people to independence, whose rough pictorialism haunts ended in arrest by Franco and was at least one triumphant two specific tributes—the cast— From Hungary came Pal gala-piece, Bernardo Berto- ing of his daughter Isabella in Gabor's Augi Vera Tris tale of

glow more appropriate dramatisation of the Nativity. I suppose it is a Nativity of a sort: the birth of another obedient yes-person in a society with no space or time for individuals The film's simple faith in Com of tableaux, with their aggressive primitivism and harsh beauty, are as visually bewitching as in Padre Padrone. But the dramatic purpose is obscure. The him's simple faith in Companies of the virtues of political "self-criticism" (which seems to amount to saying "I am wrong, the State is right") would be touching if it weren't repellent.

Other casualties in the main section of the festival were The Magician of Lublin and Running Both at least were English-language films, which was a relief in a festival with little patience and few facilities for the non-Spanish speaker.

The Magician of Lublin, by Israeli director Menahem Golan, has a dash at adapting Isaa Bashevis Singer's novel of that Has Turned a Hundred). Saura name. Determinedly, even bull-is at his best when orchestrating dozingly, high-spirited, it keeps

from Alan Arkin as the titular said corporation thought that magician—hell-raising his way the piece was too biased in its through period Poland—his attack on such organisations. crudest performance in memory. and I can see their point. All

ing bouts in New York and facts have been so pre-selected and telescoped-for-effect that with his marital problems—is wife Susan Anspach about to leave him?—and with a susan answer of the control of th leave him?—and with a script the camera like a battering ram, whose sub-Hollywood imbecilibashing away at our sensibilities ties have to be savoured to be until we are too concussed to believed.
The brightest surprise among

the English-speaking films was Peter Bogdanovich's Saint Jack, which graced San Sebastian last week and opens in London this week (cert. "X" at the Classic Haymarket, Classic and Poly Oxford Street, and Screen on Islington Green). Bogdanovich, after a series of dodo-like hommages to the glory that was Hollywood, has found rejuvenation in Singapore. Ben Gazzara is his hero, a peaceable and good-natured pimp who knows where to draw the line between whom won't—though he is asked is enacted by Brooke Shields.
—swap his honest living as Maestro of the Singapore Brothels for shadier roles as blackmailer or photographer.

Brothels for shadier roles as blackmailer or photographer.

Brothels for shadier roles as blackmailer or photographer.

Gazzara gives the film a tiated into sex almost on the quizzical, wry-mouthed centre that neathy sets off the sparking revolutions of his inner circle shelds is later whisked away by of British colonial friends -Denholm Elliott, James Villiers and Joss Ackland jawing over jars in the British Club—and the outer ring of business colleagues and clients. Bogdano-vich manages both to take the story (based on a novel by Paul Theroux) with arrow-straight narrative simplicity and to soak

broken glass. This story of life with more claims to schizo-in a boy's Borstal, written by phrenia than paedophilia.

charging forward with reckless Roy Minton, was made into a disregard for the subtler feature film after being rejected nuances of Singer's tale and gets as a TV play by the BBC. The Running, a Canadian movie the incidents in this harumby Steven H. Stern, gives us Michael Douglas as an American marathon runner in the Montreal Olympics. Between train-

> recognise the truth even if we saw it, and in the resulting pot-pourri some good performances struggle vainly for a believable setting. Pretty Baby's (X, Ritz) contrasting claims to sensation-alism concern a teenage nym-New Orleans brothel. This is the film that our censor has been humming and haw-ing over for some time, finally per-mitting it to spread itself across British screens after some discreet tamperings and trim-mings. The fille fatale over

photographer Keith Carradine to live with him. (His role is modelled on real-life New Orleans' photographer E. J. Bellocq) This Lautrec-like chronicle of Louisiana low life has been directed by Louis Malle, making his first American movie. The censorship brouhaha will have the fringes of the screen in the baroque and humid atmospherics of tropical life. flirts with the plush hyperbolic world of Tennessee Williams, Meanwhile, back in Britain. world of Tennessee Williams, Watching Scum (X, Prince Charles) is like being hit over steer off towards a moody the head with a sockful of realism. The result is a movie of the state of

#### PERSONAL

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TRAVEL .

## cut-out bird. The Guardian of No shrewish, nagging wife, but over-bearing figure who domithe Spring (Barbara Daniels) a young woman deeply troubled nates the stage even when also takes on substance, while by emotions she does not under pretending subservience. She the Spring treats is a superd Nurse, a tall, over-bearing figure who dominates the stage even when the Spring treats is a superd Nurse, a tall, over-bearing figure who dominates the stage even when the Spring treats of the Spri the Spring itself is a swatch of blue silk energetically waved by two shadows. Two more of these "invisible" figures drag on the best a largety and the largety and generous floods. The price of secure, but that is all. crimson material—which brings such generosity — occasional Over 100 years to build our biggest asset: Expertise

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## The People Show

performance as a routine gag. Surrealism is the main weapon is to provide a coherent line. If you aren't surprised, there's nothing for you; and this is

tionist is asleep behind her desk a performance of this kind when we arrive: Outside one enthusiasm. I can take i window an impassive figure, leave it alone. Yet just as window an impassive figure, who remains behind the window the whole of the 80-minute time is passing there is a bo show, flashes light round the of some kind. On Wednesda dark stage from a mirror. Out- was the trumpet-playing of side the other hirks a customer, who signs in and does some idiom. I thought it was sm energetic training before sitting ing. at the piano. A slim girl enters from the balcony, a lithe man enters through the locker where the first man hung his coat. They do some arabesques together.

A new customer opens a letter containing a bandkerchief. He lays both down on his folded jacket and jumps on them. Someone sings a song about "Dan, Dan, my kitchen man." The man outside the window waters the flowers inside the window. There is music for flugelhorn, bass tuba and tenor

No good trying to describe saxophone. A small black man the People Show, a company whose face shines with gold who would include the studs amuses the girl by pre-traditional encounter of an tending to play a dumb clarinet, umbrella and a sewing-machine The same man, evidently the on a dissecting table in their owner of the gym, subsequently shoots the girl in the back when he sees her acting too affectionin their armament. It's by no means the only weapon, though. They will show you ballet figures and gymnastic exercises, they will play you jazz or Bach, or sing the blues, and do all of them reasonably well. One thing they never set out to do is to provide a coherent line. Passion. Other things happen bes

all this, but that is enough The current edition takes People Show is a cult show, place in Jim's Gym. The recepthere are enthusiasts who la beginning to think how slo first gymnast, in the 1920s

> George Orwell Memorial Prize 19

Penguin Books are awar this year's George Or Memorial Prize to Christon Ricks for Geoffrey Hill and Tongue's Atrocity first | lished in The Times Liter Supplement.

The runner up was Elegy Rhodesian Whites by Rich West published in

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- 1	Oven-ready chickens	38.0/44.0	40.0/44.0	40.0/44.0
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Friday September 21 1979

## Checking the town halls

local authorities in no doubt speech in Scarborough yester-day made clear that he will optimistic. frown on authorities which raise their rates faster than inflation and that the Government "will not finance increases in local authority expenditure." He emphasised that the only way to keep spending in check is to keep paring away at manpower, since this accounts for 75 per cent of costs. He went so far as to castigate the authorities for defying the Government by allowing their manpower to rise by 2 per cent in the year to June, disregarding the fact that almost all of this increase occurred under the Labour Goz-

#### Suggestions Mr. Heseltine offered a

number of excellent suggestions for immediate reforms, most im-portantly a plan to make all local authorities publish regular statistics on their manpower levels and on the costs they incur in providing specific services. These should give voters a clearer idea of how their money is spent. However, what was most striking about his speech was not its content, but its determined, almost pugna-cious, tone. It was this tone. and the points that Mr. Heseltine did not explicitly mention that local authorities are worrying about. Most significantly, there was a statement that "there would be no more cash," beyond the targets announced by the Government. It was left unclear whether this was a reference to spending plans, on which it would be natural for the Government not to waver, or to cash limits, which determine the maximum sums that the Government will actually pay in grants, mental point that Mr. Heseltine after allowing for inflation.

spending plans have been allowed to raise their own accepted there are likely to be standards of services above fierce disputes over cash limits what the Government considers in the coming year. There will to be the desirable level, if they be a strong temptation for Mr. are prepared to pay for this sors in the last Government and Government's commitment to set unrealistically low cash greater local autonomy. Ultilimits. This would leave local mately the overall balance of authorities with the full respon- national fiscal and monetary

Mr. Michael Heseltine has left should not be set on the basis of wishful thinking, as they were that the Government will last year. There is no reason countenance no wavering or why inflation should bear down backsliding in its Jattle against especially savagely on rates and excessive public spending. His local services, simply because

> tute for the established system of planning public expenditure by programmes. The point of system is that political decisions are taken to provide certain services and to spend a proportion of the income, in real terms, on this provision. The Government should certainly make clear to the public service unions that excessive pay claims will result in a progressive reduc-tion in planned public expenditure. But cash limits cannot take the place of Government determination to stand firm against excessive pay claims in the pub-

#### Abdication

The Government would be abdicating its responsibilities tions, by allowing inflationary and then forcing the local easy option.

Government's Should local residents

appears on the surface to be going relatively well, with the handover of territory in Sinai

following the schedule so far.

The two countries have now agreed in Washington on the

until next year. This is the question of the form and degree

points are as far apart as ever.

Egypt wants to see genuine autonomy for the Palestinians

in these areas during the five

to the setting up of an indepen-dent or partially independent

Palestinian entity. Mr. Begin, the Israeli Prime Minister, has

a much more cosmetic form of

The U.S. would like to bring

both Jordan and a representa-

tive group of Palestinians into

the autonomy negotiations in order to justify its Camp David

strategy for a comprehensive peace in the Hiddle East. The

Palestine Liberation Organisa-

tion is coming under increasing

pressure, especially from European countries, to make

concessions in the direction of

recognising Israel which might

The fact that this week Mr. Yasir Arafat, the PLO chair-man, visited Amman, the

wants to become involved in

the talks at this moment,

enable it to join the talks.

autonomy in mind.

Increasing pressure

## The Russians and Egypt

THE NEWS that the Soviet
Union has been supplying badlyneeded aircraft engines and
other equipment to the Egyptian
other equipment to the Egyptian armed forces is a tart reminder to the U.S. government that it does not have Mr. Sadat's un-divided loyalty. The U.S. remains Egypt's most important economic and diplomatic supporter, and there sems no question of the Soviet Union suddenly achieving a full reversal of the cool rela-tions which have existed between the two countries most of the time since thousands of Russian military advisers were thrown out of Egypt in 1972. But the U.S. is not likely to welcome the return of a Soviet military involve-ment in Egypt.

#### Hesitancy

The Russian move, in making it possible for Egypt to go on using Soviet-made aircraft and helicopters which, though theoretically the backbone of the air force, were rapidly becoming unserviceable, points up the cur-rent U.S. and European resitancy rent U.S. and European resitancy Strip—an issue on which the in supplying Egypt with arms. Egyptian and Israeli view-The U.S. has provided Egypt with a numer of relatively unsophisticated F4 Phantom fighters but has baulked at the size of the arms shopping list Egypt has put before it; Britain and France are reviewing their involvement in developing the Egyptian arms industry and in renovating the Soviet-made equipment, mainly because the oil rich Arab states which were to have paid for the vecture have pulled out in protest against the Egypt-Israel peace treaty,

By contrast the Soviet Union has shown it is now prepared to fill the gap despite Mr. Sadat having last year imposed a ten-year moratorium on Egypt's enormous military debts to

The radical Arab states most strongly opposed to the peace treaty may be disappointed that the Soviet Union has decided to ignore the Arab boycott of Egypt, but the real rebuff is to the conservative, anti-Soviet Arab states whose action has led directly to the Soviet move. The Russian leaders, with their man, visited Amman, the customary opportunism, have an capital of Jordan, for the first eye to retaining Egypt's friend-ship should the current Middle old adversary King Hussein does East peace process fail or the not indicate that either of them current Egyptian leadership

Cash limits are an essential complement to. but not a substi-

public sector pay if it sought to back away from the local authorities' pay negotiapay increases to be conceded authorities to slash services in order to stay within cash limits. It would be untain to make the nation suffer by decimating the educational, health and social services, simply because mili-tant unions demand more money and local authorities are not prepared to resist them. In the end the unions' intransigence may give the nation no alternative to slashing its public services. But the Government should regard this as a last resort, and not as an This raises the most funda-

touched on, but did not analyse. Heseltine to follow the rather through their rates? This get rid of some of the fears that shabby example of his predeces- question will severely test the people have of nuclear power sibility for resisting their worsibility for resisting their worsibility for resisting their worsibility for resisting their worpolicy will have to take priority.

caves of Dounreay a nuclear
reactor filled with 1,000 tonnes
become clear whether local
ture by the back door.

caves of molten sodium metal can
authorities can be trusted to act
produce up to 250 MW of elec-The temptation should be responsibly, in accordance with tricity. Leviathan pumps create

the minds of pay negotiators required for the Government to the plutonium fuel and into and purchasing officers, they exercise control.

## **Emphasis on safety** at Britain's first fast reactor

By DAVID FISHLOCK, Science Editor

centre in Britain is at working on sodium-cooled fast Dounreay in the far north of reactors was born the idea of Scotland, in territory the Keith the and Gunn clans once disputed and where longborn highland cattle outnumber people. For a quarter-century Britain has used this remote place to develop the technology of the fast breeder

This is the plutonium-burning nachine which, soon after the war, Harwell scientists forecast that Britain would be needing to replace fossil-fuels towards the turn of the century. The North Sea discoveries do not seem seriously to have disturbed this

The technology of the fast reactor is one of the most difficult engineers have ever attempted; so difficult that, as with flying machines, many have said it could never be done, or done safely. For flying machines the evidence is all about us that the Cassandras were wrong. For those who have solved the manifold problems of fast reactors. the problem is how to convince people that, with the reactors locked away in thick concrete catacombs, they really do have a safe new way of making electricity

Britain does not have the world's biggest fast reactor. Both France with its 1,200 MW Superphenix project near Lyons, and the USSR with its 600 MW project under construcstruction at Beloyarsk, have bigger machines in an advanced stage of construction than the 250 MW prototype fast reactor at Dounreay. But at Dounreay Britain has assembled tech-nology and devised experiments that have kept it firmly in the vanguard of progress with fast reactors. The total cost for the UK of work on the fast reactor, about £52m last year, is only one fifth of what the U.S. is spending. This is the technology which

so evidently impressed the Prime Minister, Mrs. Margaret Thatcher, when she visited Dounreay earlier this month. "I think if more and more people come around the place and see for themselves, it will get rid of some of the fears that fears which I think are un-founded," she said after six hours at the site.

In the man-made caverns and resisted. While cash limits must the national interest, or virtually a tidal wave of liquid be tight enough to concentrate whether greater powers will be metal to sweep heat away from

But what if those pumps failed? The Cassandras remembering first-form chemistry when teacher could produce a type reactor to see what would satisfying explosion just by kappen if—under circumstances dropping a pellet of sodium that are almost inconceivable into water—forecast death and and yet which occurred in the destruction on an unprece- accident on Three Mile Island

reactors was born the idea of "China syndrome"—the meltdown of nuclear fuel that would fuse a hole all the way

For two decades at Dounteay

they have painstakingly studied everything conceivable that might happen if the cooling of a fast reactor should fail. The success of the latest series of experiments on the prototype fast reactor, in which all the were deliberately pumps switched off, were announced yesterday by Sir John Hill, chairman of the UK Atomic Energy Authority. They indi-cate that, even if everything fails, the operators could simply leave the reactor to cool down

The secret iles in the immense capacity for absorbing heat of the thousand tonnes of sodium metal in the reactor. The results will be crucial to the safety case which the nuclear power industry, led by the Authority, will put forward at the forthcoming public in-quiry into plans to build a fast reactor five times as big as the Dounreay prototype,

#### Wide-ranging experiments

which has led to these dramatic experiments—the first of their kind anywhere in the world. Dounreay · believes—concentrated upon the behaviour of the plutonium fuel under all man-ner of adverse conditions. The fuel developed in Britain for the fast reactor is a ceramic: a mixture of plutonium and uranium oxides. First in a ports, 18 ft long. 15 MW experimental reactor— In fact the r Dounreay's famous pale-green been studied has minutely. The kind of thing these ex-

Mr. Cliff Blumfield, director at round the fuel should fail, the reactor can still be run safely, so slight is the reaction between is that even when they restrict the flow of coolant around this fuel to a point where it makes the sodium boil-above. 990 Very confident of the in-

most adverse conditions, the Dounreay team was ready to try two much more ambitious series of experiments. One was the series in the proto-

ITHOUT ANY doubt the dented scale. From the joking earlier this year—all the cool-

Even if the reactor shuts down safely, as it is designed to do, it will continue to deliver about 25 MW of heat from radioactive decay which cannot be switched off. The prototype reactor has three "pony motors," kept running continuously, which automatically engage if the main pump should ever fail and keep the sodium surging around the fuel. But what happens if these, too, should all

The short answer is nothing. Convection currents in the great pool of sodium seems to be enough to keep the fuel from overheating. The researchers have inched their way up to a power level of 50 megawatts of heat without problems. The next step will be to cut off all the pumps at 200 megawatts of one third of the reactor's heat—one third of the reactor's full output. But each advance has been backed by safety assessments made elsewhere in the UK Atomic Energy Authority, and by theoretical calculations of what should take

At the public inquiry these experiments will be presented as a major safety feature in favour of the fast reactor. If the worst should happen "we're pretty sure we can almost walk away and it will look after itself," claims Cliff Blumfield. Another series is being done to see what happens if

"and we can't imagine how' —all the pumps should fail but the reactor itself fails to shut The potential problem would be that big differences in temperature in different parts of the pot-full of sodium could severely distort the intricate as the crucial control rod sup-In fact the reactor has a

remarkable safety feature built globe—and since 1975 in the in as a consequence of its prototype reactor, fuel of this nuclear physics. The hotter it gets, the less power the nuclear fuel produces. This is because more neutrons are mopped up periments have proved, says as the temperature rises and are unavailable to split further Dounreay, is that even if the atoms. In the prototype reactor thin protective steel casing it turns out that, because of this round the fuel should fail, the "Doppler effect," an increase of only 25 degrees C in the temperature of the reactor the fuel and the sodium in automatically reduces the heat which it is immersed. Another produced by 100 megawaits— The fate of the plutonium fuel after it leaves the reactor

is also crucial to the case for degrees C-no harm has been the fast reactor. Again Doundone even after 24 hours of reay claims to be ahead of the world in determining the fate its kind in Britain—perhaps any-of fuel designed to be used in where. A remarkable array of tegrity of the fuel under the commercial fast reactors; or, as they say, in "closing the fuel Last week the Prime Minister

pressed a button which set spent fast reactor fuel flowing through a new chemical plant, designed "light pipes" through several to separate the plutonium from feet of concrete "top and tail" a myriad of highly radioactive impurities.



Mrs. Thatcher in the Donnreay control room with Mr. Byron Williams, shift manager

## SODIUM~COOLED FAST REACTOR FLOW OF SODIOM LIQUID FUEL EXCLUSE

missioned early next year, will ported. At this stage each fuel from reducing the amount be able to extract about 1 tonne assembly is giving off as much of plutonium a year. Its chief beat as a three-bar electric importance as an experimental fire. tool lies in minimising the time plutonium needs to spend outside the reactor. The sooner it can be put back to work, the better the economics of fast reactors and the safer it is from any attempt to steal it for

From the radioactive debris of an old reprocessing plant, the Dounreay engineers have reconstructed one big enough to handle the fuel from the prototype—the same fuel as is planned for the commercial-sized reactor. The first thing they have demonstrated is that highly radio-active plant can be safely dismantled, washed clean and rebuilt. In other words, nuclear plant need not remain a deadly hazard for all time, as is some times suggested, but provided the cost is warranted can be cleaned up in a matter of/a few years. Very little of the old plant has survived. The new reprocessing plant is

certainly the most advanced of advanced technology, much of it germane to the design of the plant to be constructed at Windhas been assembled. Powerful laser beams guided by "light pipes" through several the big fuel assemblies, then carve its stainless steel wrapper This plant, when fully com- into scrap that it easily trans- gains to be won-for example, scale Public Inquiry.

Fluidic devices, which can

control flows of liquids without moving parts, serve as pumps, valves and switches for the radio-active liquors, minimising the number of mechanical components entombed in the concrete caves. Ultrasonic sensors keep constant watch on the concentrations of plutonium and uranium at critical stages. Powerful electro-magnets are being tried as a way of removing undissolved debris to prevent it from clogging the pipes. At the end of the line will be a process that turns highly active waste liquor into glass ingots for storage.

#### Economic gains to come

The official cost of this trans-The official cost of this trans vestigation into fudded power formation is only \$3.4m — the was both misguided in its resercapital outlay for which various about fast reactors and Dounrezy required Treasury misinformed on the subject of approval. But Mr. Owin Pugh, plutonium storage, the chemical engineer in charge when the time comes the of its operation, admits that it challenge for the inclear inhas also been absorbing a lot of dustry should be simply to his division's £7m a year Advanced engineering on the

there are immense economic

steel in the reactor. But, as in engines, this kind of trimming can be done only when the engineers are confident they know precisely how the machine is behaving.

With a public inquiry into the pressurised water reactor (PWR) likely to be called for by the Government next year, a similar inquiry into the pro-posed 1,300 MW commercial demonstration fast reactor is unlikely before 1981. But already the worries which caused the last government to promise a fast reactor inquiry have begun to crumble. The International Nuclear

Fuel Cycle Evaluation, called for by President Carter in 1977. in which over 50 nations have participated, has rejected the case of the US Government for trying to block commercial development of the fast reactor. In Britain itself it turns out that Lord Flowers' commission of investigation into nuclear power

assemble experience stretching research and development back virtually to the estilest budget.

days of nuclear energy in Advanced engineering on the Britain into a case as logical and fast reactor and its fuel will orderly as that assembled by continue for many years yet, for British Nuclear Fuels for its reprocessing plans at the Wind-

## **MEN AND MATTERS**

#### City police

#### steering to BMW

British textile manufacturers are angry at this week's news composition of the peace keeping force that will supervise the continued handover of the territory. Instead of a new that a German company has been given half of a £500,000 contract to make "car coats" for the Metropolitan Police. continued handover of the territory. Instead of a new United Nations force, which Egypt hitherto insisted it wanted but which Israel rejected, there are to be joint patrols of Israeli and Egyptian troops, with U.S. civilians manning the electronic listening devices. Concurrently, the City of London Police has decided for the first time to buy German cars for patrol work. Without any publicity, two BMWs have just gone into service with the City force, and more are likely But the trickiest issue between Egypt and Israel has now been deliberately put off The Home Office told me

yesterday: "We don't instruct the individual police forces about the cars they should buy. of autonomy to be granted to the Palestinians in the Israeli-occupied West Bank and Gaza We like them to look very carefully at the home market and the EEC as well." Traditionally, the patrol car has been a Rover. a brand with which the Metropolitan Police is still largely equipped. Some provincial forces have been trying Volvos, and one has year transitional period leading

even ventured into Japanese models. There will be considerable cachet, however, for BMW in having penetrated the City. Chief Superintendent Smith. in charge of police transport in the City, says: "Our chaps are delighted with the BMWs. What is best for them in their work must be the first criterion. We

already have Granadas made in Germany and Cortinas made in Belgium-I can't see much difference." The chief superintendent did not comment on the relative merits of other makes, but said:
"I think that under the Treaty of Rome it is illegal to differentiate against products from any

of the nine member nations."

#### On the level

Secretary, was carrying a could be spared suspicious-looking box under small amounts. his arm when he arrived at a This all went



rands he comes in and has a couple of gold fillings"

CBI's conference on employee participation. He refused all offers to carry it for him, saying it was his "visual aid."

After some preliminary rhetoric, Prior stopped and opened the box, removing first a green gin bottle, a jug, and four glasses. From the bottle he poured orange juice into the jug, which was labelled "Added Value," explaining meanwhile Hyman, who has practised the that he had borrowed the kit art for 18 years in this country, from an industrialist friend of his the night before.

Each of the glasses had a level marked on its side. One (by far the highest mark) was wages; the next, much lower, stood for reinvestment, the third for dividends and the It would be hard to feel much final one—a very small amount course, was that if the workers wanted more wages, the "added

This all went down well with London hotel yesterday to make the audience until Prior got to advantages than they sound the opening speech for the the tax level and trickled some his elevation follows the un-

juice in from the jug. At this point, a sceptical voice from the back shouted "More!"

What the audience also did not know, but might have guessed, was that the anonymous industrialist who had lent the bottle and jug is Sir Hector Laing, chairman of United Biscuits and a leading apostle of employee communications. Prior was on his Board as a non-executive director till the general election.

#### Sharp idea

The Hong Kong businessman who is securing commercial advertisements for Chinese TV is helping other Chinese institutions to sell their services in the West. Robert Chua tells me than Canton's largest hospital will soon offer British and other occidental doctors a crash course in acupuncture. The cost, including fares: \$4,000.

The four-week course will be run in English by a leading woman specialist, Woo Shu-jin. The first course, for 15 pupils, begins early next year, and Chua thinks he will have no trouble filling the places.

The British Medical Association maintains a wary attitude to the needles. Acupuncture is being performed by about 70 British doctors. But Dr. Maurice doubts whether many British GPs will be able to spare a

#### Ciampi's challenge

envy for Dr. Carlo Ciampi, 58. for tax. Prior's theme, of the man yesterday appointed course, was that if the workers governor of the Bank of Italy, but at least he begins this new value" amount in the jug must and difficult chapter in his life Jim Prior, the Employment be increased, because nothing without too many obvious Secretary, was carrying a could be spared from the other enemies. This, and his nearanonymity during 33 years with the bank, may well be larger

edifying scandal surrounding the arrest and public humiliation of the present incumbent; Dr. Paolo Baffi, governor since 1975, and of Mario Sarcinelli, deputy director general. The quiet one-time law student Ciampi is seen as, to put it no higher, the best man available to restore some semblance of order and dignity to the demoralised institution. Significantly perhaps (since

it was Baffi's dogged insistence on controlling the money supply which led to his head-on collision with the politicians) Ciampi's appointment breaks with the traditions of installing as governor an expert on monetary problems. Ciampi is better known for his expertise in the industrial sector and in the financial problems of major industrial groups. The Italian economy has pro-

vided him with plenty of field-work in the last three years; but despite his close involve ment in a number of major and controversial rescue grammes, Ciampi has somehow managed to retain a low profile. Discretion will, however, hardly be enough to weather the battles ahead. It remains to be seen whether he will prove strong enough to preserve the autonomy so flercely defended

#### Ticket tunes

When Kenya's President Daniel Arap Moi came to see the Queen earlier this year in London he was played in at Victoria Statien by the band of the Scots Guards. He promptly invited them to Kenya, and they are playing, all 64 of them with pipers, at the annual Nairobi agricultural show next week.

But finding the money for the trip has not been easy. On Sun-day, the band will give a pop concert at the Kenyatta Conference Centre to help pay their fares home on British Airways.

Observer

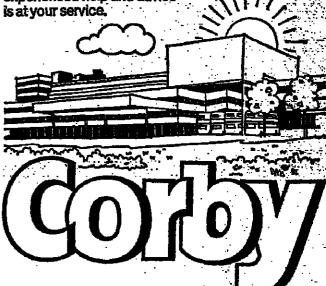
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## Industrial Property

The sharp rise in building costs coupled with the possibility of economic recession may restrict the level of new developmen t in the next few years. But demand for prime space in popular locations is generally being maintained.

### Caution 18 the keynote

By Andrew Taylor

PROSPECTS FOR the buoyant industrial property investment and development market look less certain than at any stage in the past two years as the UK stands again on the brink of

But despite the depressing economic outlook many property agents and developers are cautiously optimistic that there will be no major weakening in demand for industrial space and that rents for the best-located and right type of building will continue to rise—though more

At first glance this view would appear to conflict with the views of leading UK economic forecasters, who anticipate a marked slowdown in the growth of industrial output over the next 18 months with a corresponding rise in unemployment.

Sir Geoffrey Howe, Chancellor, has warned that the short-term

Treasury officials have forecast that Gross Domestic Product— the traditional measure of the

country's overall output—may fall by 1 per cent in 1980. However, most of the pun-However, most of the pundits agree that the next recession is likely to be much less severe than that of 1974-75 when GDP fell by 1½ to 2 per cent in both years. And there are a number of fundamental differences in the state of the economy compared to when Britain entered this last major recession.

This time the country will have the benefits of North Sea oil, a stronger pound and strict monetary controls—non-existent in 1974-75—to lessen the reces-

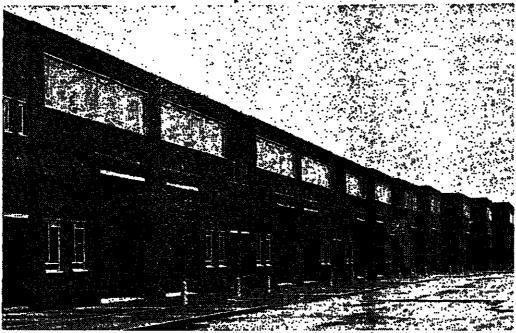
sion impact. Specifically, these factors should mean that the effect on consumer spending should be less than it might have been otherwise while money supply controls should restrict the growth of inflation.

#### Outlook

So while prospects for manufacturing output and capital investment in manufacturing appear poor the outlook for distribution is relatively better.

These and other factors have persuaded most agents and developers that prospects for in-dustrial property—particularly in warehousing which has spearheaded the very sharp upturn in new development during the past 12 months—are not as bleak as the economic outlook

It is the boom in consumer outlook for the economy "is spending—up by more than 51 almost frighteningly bad" while per cent in 1978 and rising 4.2



London is one of the prime areas of demand for space. Above: part of a development of refurbished railway arches and factory/warehouse units on Bermondsey Trading Estate being let through Grant and Partners. Most of the development is already let

per cent so far this year—that has promoted the high level of investment by major investment institutions like pension funds and insurance groups in new warehousing and consumerorientated light engineering properties.

Equally, the rapid growth of imports, fuelled more recently by a strong pound, has led overseas companies to invest in warehousing in prime areas such as of an economic recession there might lead to fewer new indus- of sites but London and the South East and are few fears that a serious trial developments being built unsuccessful

around provincial centres along over-supply of space will develop major motorway links. It has been estimated that speculative industrial space now under construction totals about trial property market, say they 10m sq ft and, undoubtedly, a expect "a continuing strong significant proportion of this demand for all sizes of industrial will be designed for warehouse

and/or light industrial use. But despite the high level of development activity over the

Agents Edward Erdman, in their latest review of the indus-

larly large warehouses. However, they warn that intends to expand this new sharply-rising building costs and side of its business and that it past 12 months and the prospect reduced regional aid grants has put in offers for a number of an economic recession there might lead to fewer new indus- of sites but had been largely

in future—particularly outside the South East. The developers Percy Bilton also fear that future rental growth will not has keep pace with building costs.

しかないいいくろ

Grant and Partners in its latest review of industrial property is more optimistic. It says: "With building costs rising at a staggering 11 per cent to 2 per cent a month and industrial property rents reflecting the building cost element so directly, there appears little likelihood of the current bullish trend diminishing in the near future."

However, the majority of agents believe that in the shortterm rental growth will be insufficient to support new development at least on its present scale.
This may lead later to supply shortages emerging which

should also help underpin rental values. And top rents are now frequently achieving the £3 a

#### **Decision**

square foot mark,

Capital and Counties' recent decision to enter the industrial property development market with the acquisition of a 125year lease on 3.4 acres of land at the junction of the M11 and the North Circular Road in the London Borough of Redbridge illustrates current confidence in the future of the industrial and warehouse units," particu- market.

Capital and Counties say it

The rush by the institutions developers to act as project to increase the size of their industrial property portfolios managers. Meanwhile, life should now has exacerbated an already marked shortage of good avail-able development sites. Land prices during the past year have risen sharply, increasing to about £400,000 an acre for top industrial sites, while yields have been chased down to as

low as 6} per cent.

too sharply and in some

rise at a much slower rate.

being paid for land by the major

becoming more discerning about

what they will buy.

tion and covenant."

have been uneconomic. It may

prove a little easier for commercial property developers following the spate of legislative changes introduced by the removing Government restrictions on land availability

Some agents like King and Co. believe that prices have risen This month Mr. Michael Heseltine, Environment Secretary, announced further plans be that prices now may have reached a ceiling, particularly if rents in the short term are going to stabilise—or certainly which would compel nationalised industries and local authorities to sell unused land to

developers. The repeal of the Community Mr. Nigel Mobbs, chairman of Slough Estates, the largest industrial developer in the country, says: "We have certainly found it difficult to compete with some of the prices Land Act will also enable more publicly owned land to come on to the market while longer lesses—up to 125 years—will

also be available. On top of this, Development Land Tax has been reduced institutions." He believes that the widely anticipated economic recession will lead to funds while the need for industrial development certificates-seen as a major brake on new build-ing work—has been reduced. Mr. Heseltine also plans to make the operation of planning con-

Grant and Partners in its trols less onerous. recent review noted: "Already There also will be opportuni-ties for institutions and other signs are being seen of a dis-inclination on the part of insti-tutions to invest in anything investors to buy industrial properties in the 21 English New other than prime properties well secured by building, loca-Towns which are to sell properties valued at a total £140m by the end of next March.

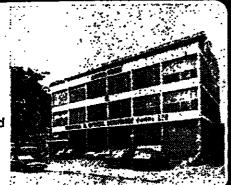
A striking aspect of this last It would appear therefore phase of industrial development that in the short term the has been the increasing role of climate in which the industrial the investment institutions property market operates may which have been prepared in a not be as bad as might first number of cases to take over appear while, longer the role of speculative developer, traditional property and brakes on new development.

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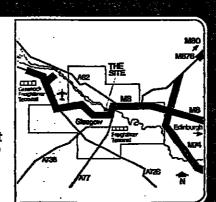


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#### **Scotland Street Trading Estate,** Glasgow

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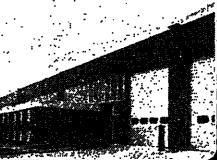
ToLet



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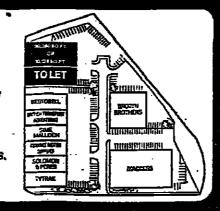


#### Righead Industrial Estate, Bellshill

Modern single storey warehouse of 15,560 sq. ft. with intercommunicating office extension of 2,504 sq. ft. The estate is situated adjacent to A725 with excellent access to M8 and M74. For Sale or To Let.

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A calogion of Mand dayalayan ond Al London & Loole Mandana & Loole investments Limited

Techno Tracing Estate
Bramble Road, Swindon
The last unit of about 15,000 square fect to how under construction on this very successful estate totalling over 15 million square feet.

The Elgar Estate, Eigar Road, Reading
The last two presums warehouse and office units fronting Elgar Road of
5,600 and 7,500 square feet are now nearing completion. Joint agents: Gibson Bey.

St. Paul's Screet, Leeds 1

An Architect designed new self contained office building with 7,320 square feet remaining available in sortes from 1,840 square feet. Ready immediately. Joint agents: Robinson & Gregory.

Alfreds May Industrial Estate, Sarking
The construction of new factory and worshouse trats from 4,270
square feet to 58,000 square feet is about to commence with
possession in Spring 1980.
Joint agents: Messrs, Savilla.

Piccadilly Trading Estate, Manchester
The first units on this important new city can be industrial development totalling 212,560 square feet, are now available from approximately 4,500 square feet.

Jaint agents: Peter Chadton & Company.

The Nottingham South & Wilford Incustrial assets The first Phase of nursery units each totaling 2.200 equare feet are ready now on this prostige inclustrial and trading development, totaling 228,530 squarefeet. Joint agents: Walker, Walton Honson.

Long Lane, EC1
A new 30,000 square foot office: shop and residential developm upon which construction is about to commence.
Joint agents: Richard Saunders & Partners.

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new factories and warehouses implementation. traditionally has been tied in The figures of business activity So, as the economy moves into recession, the prospects are less bright than they have been for the last

couple of years. precise guide to the fortunes of specialist industrial developers since they operate mean that they are immune to 1974 and 1978. wider economic influences.

The cyclical nature of industrial development can be seen ing work responds after a time to a more general upturn recovery or a decline in spending on plant and machinery.

total capital investment and ing. In contrast spending on spending on new building work plant and machinery may be for manufacturing industry, merely re-equipment of an This covers not only factory existing factory. building but also distribution depots for manufacturing com-

can be explained partly by the to 1977 to 2.59bn square feet, interval between reaching a This masks sharp regional decision on putting up a new differences for instance, the

behind the cyclical variations there has been a long-term or secular decline in expenditure by manufacturing companies on new building. Thus taking 1971, 1974 and 1978 as peaks, or at But this is not necessarily a any rate near-peaks, of their respective investment cycles, the total dropped in real (infladevelopers since they operate tion-adjusted) terms by 22 per mainly in a part of the whole cent between 1971 and 1974 and sector—though this does not by a further 5 per cent between

Even more significant has been the decline in the proportion of total capital spending by from the regular Department of manufacturing companies allo-Industry figures. These show cated to new building work. cated to new building work. that expenditure on new build. This has dropped from 22.6 per cent in 1971 to 18.2 per cent in 1974 and to 16.9 per cent in in the level of demand. It also 1978. There are no ready-made tends to follow, by between explanations but it is likely that three and nine months, a manufacturing companies are taking a much more cautious view of the long-term potential The accompanying table illus- for expansion, as is implied by trates the relationship between decision to put up a new builddecision to put up a new build- units.

The impact of these trends Estate can be seen in Department of operation Environment figures which ments. The lag in the response of show that industrial floorspace new building to a general in England and Wales rose by economic and investment upturn only 10 per cent between 1967

> CAPITAL EXPENDITURE £m at 1975 prices, seasonally adjusted

	Manufacturing		Distribution and Services		
	Total	New building work	Total	Wholesale distribution	New building work
1971	3.897.7	\$80.4	3.810	378	1,881
1972	3.370.4	710.6	3.986	400	1,771
1973	3.439.8	674.4	4.519	386	1,842
1974	3.781.8	686.9	4.477	430	1.793
1975	3.521.9	639.9	3,851	362	1.514
	3.341.3	503.8	3.929	338	1.511
1976	3.637.0	581.8	4,390	449	1.438
1977		•		444	1.456
1978	3,852.6	65L5	4,709		
1st	945.7	152.2	L157	110	341
2nd	959.8	155.8	<b>1</b> ,190	111	378
3rd	965.7	169.0	1,163	111	371
4:h	971.4	174.5	1.199	112	366
1979	412.2				
1st	951.8	157.1	1.201	112	347
2rd	965.2	158.6	1.286	121	384

Source: Department of Industry.

Regional problems are shown by a 2 per cent drop in factory space in the north-west over the period, though the steady expansion of both East Anglia and the south-west are nighlighted by increases of 33 per cent and 40 per cent respectively between 1967 and 1977.

#### Rejevant

But a large part of the expenditure by manufacturing companies is of little direct relevance to the specialist developers since most is, by definition, for owner occupation, Some of the buildings may come on to the investment market but many factories are by their very nature specialist buildings. Both developers and institutions prefer more easily re-lettable and re-saleable units such as warehouses and distribution

There are no hard and fast rules here and some of the biggest developers such as Estates and Brixton Slough have manufacturing operations on their developwhich ments. But the main thrust of speculative development and investment is in warehousing, both for reasons of marketability and because of a greater acceptance of renting rather than owner occupation.

There are also clear cyclical influences here as well, as is shown by the accompanying table. Fixed capital spending on new building by the distributive and service industries has recently been at a lower level than in the early 1970s. But this may not be a good indication for industrial developers since this total also covers spending on shops and offices. The latter, in particular, was hard hit by the property collapse and all the familiar subsequent problems of the sector. A better guide may be the total capital spending of the wholesale distribution sector which has risen by roughly a fifth in real terms since the early 1970s.

The rise in expenditure here is shown by the Department of the Environment estimate that warehouse space England and Wales increased by 82 per cent between 1967 and 1977 to 1.14bn sq ft. The most

THE LEVEL OF investment in factory or warehouse and its new factories and warehouses and warehouses and warehouses traditionally has been tied in closely with the overall trend of business activity. So, as the state of the control of the inner cities is factory or warehouse and its decline of the inner cities is reflected in an 11 per cent drop fast expanding regions such as graded in response to the grow on the assumption that configurations in factory space in Greater in factory or warehouse and its development is presumably on the assumption that configurations in factory or warehouse and its development is presumably on the assumption that configurations in factory or warehouse and its development is presumably on the assumption that configurations in factory space in Greater in factory space in Gre munications links to the rest of strong pound, high interest the country, notably the east rates, falling profits and and west Midlands (each up weakening demand. about 110 per cent).

The main economic influences on these two areas-of factory and warehouse building are different. The primarily owner-occupied factory side is affected mainly by the overall level of fixed capital invest-ment of manufacturing industry and thus by output prospects, by past and expected profitability and by liquidity.

But the demand for ware-

house and distribution spaceof more relevance to specialist developers and institutions is more closely tied in with the level of consumer spending rather than with manufacturing output

The prospects for manufacturing expenditure do not look very promising over the next 18 months to two years. The recent figures suggest that total investment is near, or at, the peak of the cycle. Indeed, projections of investment over the

The National Institute of Economic and Social Research suggested in its recent quarterly review that fixed manufacturing investment might rise by 11 per cent this year in real terms and fall by 21 per cent next year, after an 8 per cent rise in 1978. If past experience is any guide there could be a larger fall in spending on new building.

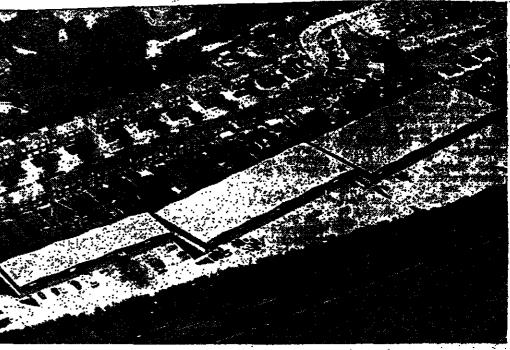
The outlook for distribution is rather better. The boom in consumer spending in the last two years—up by more than 51 per cent in real terms last year and probably over 4 per cent up this year—has generated a high level of development of new space by both ment of new space by both property companies and institu-

Total new industrial space under construction on a speculative basis has been estimated at 10m square feet and some of

since the combination of North Sea oil, a high pound and the switch from the public to the private sector, should also ensure that real incomes and consumer spending rise over the next few years, even though at a slower rate than in the last

couple of years. A final twist is that even though British manufacturing industry may have a hard time over the next few years this need not necessarily mean an equivalent drop in the demand for distribution space. This is because the rapid growth, of imports, especially of main-factured goods, during the list few years has in itself fuelled demand for warehouse the space for letting, notably along the main motorways. Indeed the proportion of foreign com-panies, or their distributors and importers, in some new industrial estates is remarkably high

Peter Riddell



Aerial view of Haslemere's industrial estate in Pig Lane, Bishops Stortford, Herts, where letting has been completed. The final four units (24,000 square feet) were let to Booker Belmont

## Pressure on to release land

THIS MONTH Mr. Michael land will be widely welcomed. affairs committee, sees financial Heseltine, Environment Secre- A major problem for developers and economic restraints as just tary, unveiled far-reaching plans and Government has been the one of the hurdles to be overunused land

This is the latest in a series of moves, announced by Mr. Heseltine, designed to make more public land available to the private sector and to reduce what he regards as the more onerous legislative restrictions on land sales and property

development So far, in this first five months of office, he has announced the repeal of the Community Land Act, a reduction in Development Land Tax plus a string of measures designed, among measures designed, and in other things, to reduce development controls and specifically to ease the process for the granting and application for planning consents.

His latest proposal, which would enforce the sale of unused public land to the private sector is likely to be included in the Local Government and Planning Bill due to be put before Parliament in the next

It involves the establishment of a register of waste or unused land, in, initially, a limited number of areas throughout the country with the emphasis on inner city and urban areas.

This would mean that any

nationalised undertaking, local authority or regional planning Board in the designated areas would be obliged to give details of land holdings to the national register which developers would be able to inspect for a fee.

Developers would then be able to make offers for vacant sites and if it appeared to the Secretary of State—after consultation with the landowner and the sponsoring Ministries in the case of nationalised bodies
—"that the land was not being used he could direct it be offered for sale" on the open market.

Initially only largest sitesthose properties of more than an acre-would need to be registered while land sales would not be permitted to take place until owners had been allowed reasonable time" to establish any beneficial planning use. This is not the first time that

a Conservative Government has examined measures to stem land hoarding. The Heath administration considered the possibility of introducing some kind of pated that the high level of charge on land in both the activity over the past year is charge on land in both the activity over the past year is public and private sector left likely to fall over the next 12 unused for long periods of time months as rental growth debut this was considered un-

The property world has still to be convinced that the current to administer but the establish-

potential development space Government's proposals. held by local authorities and nationalised industries.

Mr. Heseltine's strong views on the subject were expressed at a recent speech at the Royal new constitute of Chartered Surveyors. He said: "Authorities He should make it known exactly attitud how much unused land they which hold and why it is not being properly developed. That which is not absolutely essential and for which no proper develop- plans, ment scheme exists should be

released." The unwinding of the Community Land Act and the reduction of Development Land Tax to 60 per cent are also attempts to ensure that a greater flow of both private and public land becomes available for development.

#### Willing

These combined measures should mean that more land-owners will be willing to seek planning permission for future development or disposal—with-out the fear of punitive taxation or that local authorities will purchase their land compul-

In addition, local authorities and other public bodies will have the right to grant longer leases—up to 125 years—and also to sell freeholds.

The agents Grant and Part-ners, in their latest review of the industrial property market, note that investment interest is already "coming back to centre upon freeholds, with 125-year

come a whole series of other steps to reduce and ease planning controls—including a reduction in the need for Industrial Development Certificates; although in practice the number of certificates refused in recent years has been negligible. However, industrial property

developers and agents, although they soundly welcome this comprehensive package; do not believe that the Government's measures herald any immediate upturn in new development.

On the contrary, it is anticiclines in the face of soaring building costs and the country moves into recession.

Mr. Clifford Dann, of Clifford proposal will prove much easier Dann and Partners and chairment of a register of unused Chartered Surveyors public

which would compel nationalised lack of accurate information on come before the market can industries and local authorities the extent and quality of fully reap the benefit of the

> "A major question mark is what is going to happen to interest rates. At current levels it is uneconomic to borrow for new development," says Mr.

He is also concerned about attitudes of local authorities which will remain in a position to block development through refusal to grant planning applications and through structure

However, as Mr. Dann points out, it is too early to see what attitude government will take towards structure plans which in a number of areas limit the level of industrial development. Or what the Government's own attitude will be towards the need to establish new development in areas of most ne not necessarily the areas where

industry wants to go. On top of this a numbr of vacant sites, like London's dockstructure, roads, sewerage services and so on, to support industrial or commercial development. And at a time of public spending cuts, it is difficult to see where the cash will come from to provide these

It remains to be seen, how much usable land is held by the nationalised industries thought to be the worst culprits for land hoarding.
British Rail Property Board,

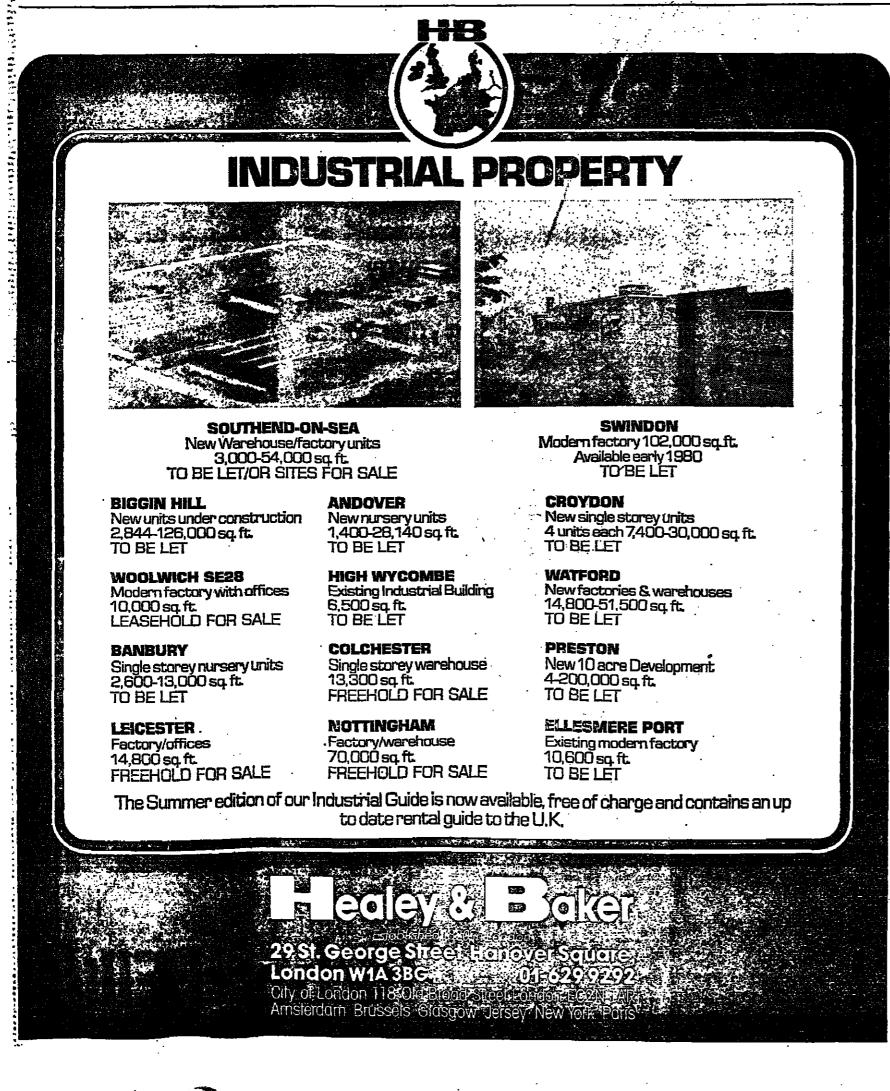
for example, is estimated to have 1,400 miles of unsold for mer branch lines—equivalent to between 17,000 and 20,000 acres -but sales can be expected to make slow process in a market 100 ft wide do not command a premium. ..

"At least we will now be table to judge the extent and quality of the land banks held by the nationalised industries and others. This is a very haportant step," Mr. Dann says.

'We must now wait and see how these and other measures will work out in practice. The Government has gone some way to improving the climate for industrial and other commercial property development, but there still remain economic and other factors restraining development.

What is clear is that while the various Government moves may not have any immediate marked impact on development activity, they do make for a much healthfer and less restricted climate for future in-

**Andrew Taylor** 



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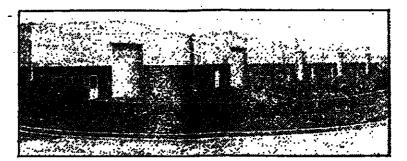


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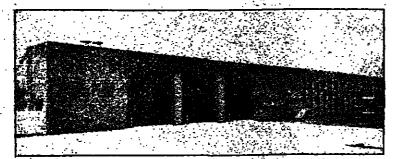
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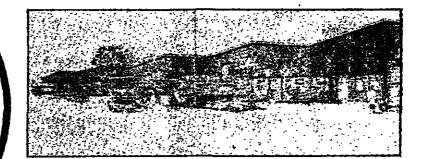
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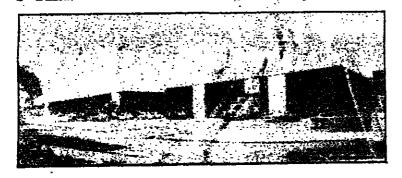
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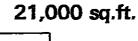
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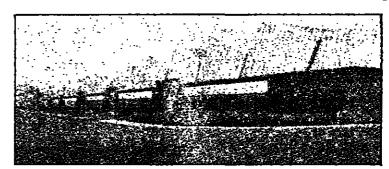
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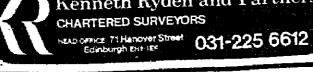
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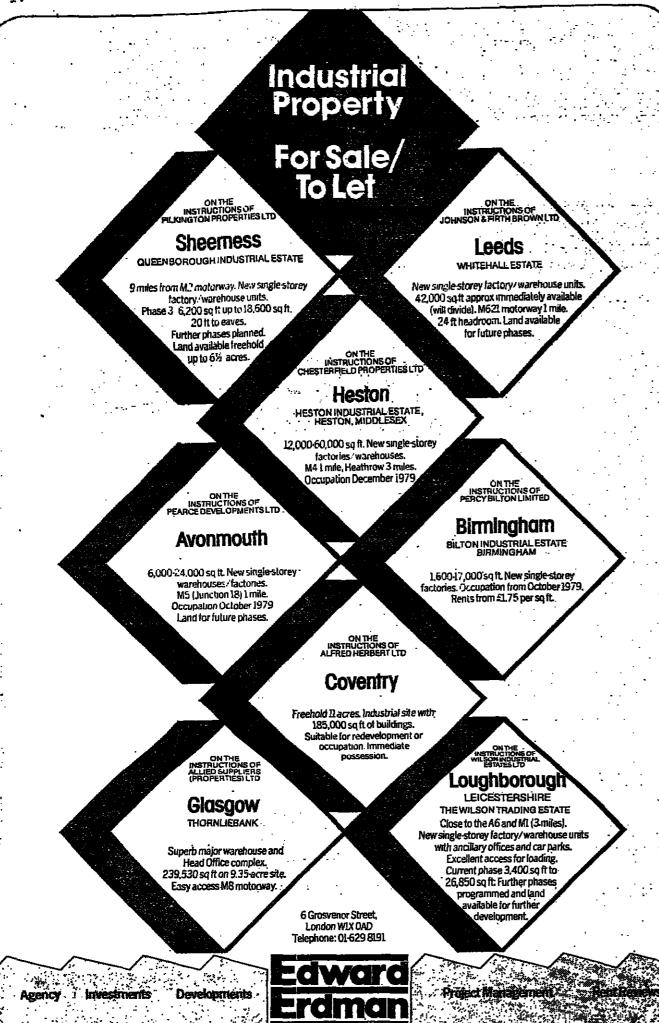
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## Inner cities under review

GOVERNMENT DECISIONS on future inner city policy could mark a watershed in attempts to come to grips with the pro-blems of the UK's decaying inner cities - and the need to attract substantial new private investment to the traditional urban areas.

The future of a key element in the last Labour Government's approach to inner city policy the seven partnership areas has been under close scrutiny following the decision of Mr. Michael Heseltinc, Environment Secretary, to order a full review of the partnership arrangements and the Inner

Urban Areas Act. Mr. Heseltine's decision to undertake a stocktaking exercise on inner city policy coincided with the Government's Budget announcement to cut special funding to the partnership areas by £7m as part of the general public expenditure

The decision to review both the funding of the inner city programme and, perhaps more importantly, the structure and workings of the partnerships reflected in part a general concern about the slow progress made towards regenerating the inner cities. It also reflected the Government's more general concern about the level of local government expenditure and manpower, the growth in bureaucracy and the low level of private involvement in inner city regeneration.

Involving the private sector has been seen increasingly as the key to the success of the drive to improve the inner city environment and at the same time, rebuild the economic base on which these areas depend.

#### Framework

At their conception both the partnership arrangements covering seven areas—Liverpool, Manchester and Salford, Birmingham, Newcastle and Gateshead, Hackney and Islington, Lambeth and London's Docklands—and the Inner Urban Areas Act were seen essentially as providing only the framework and stimuli for private invest-

The seven partnership areas, involving both local and central government in consultation with other bodies, were set up in advance of the provisions of the Act which became law last

The initial task of the partnership committees was to draw up detailed programmes for redeveloping the inner cities. In Shore, former Environment Secprogres; made during the first year of the arrangements.

TWO NEW URBAN development corporations announced this month by Mr. Michael Heseltine, Environment Secretary, are to be set up to deal with the derellet dockland areas of London and Liverpool. The initiative is aimed at reclaiming the vast acres of empty dock-land now standing idle in both cities. These new bodies are to be modelled

on new town development corporations and legislation to be included in the next parliamentary session will give the urban development corporations access to a host of wide-ranging powers, similar to those enjoyed by the new towns.

However, the exact extent of these owers still has to be defined and Mr. Heseltine has not ruled out the possibi-

lity that some sectors, such as housing may remain outside the authority of the new corporations. One of their prime tasks will be to examine ways of enticing private sector investment into these

derelict areas, he said.

Details of how much cash will be available to both new corporations still has to be worked out although Mr. Heseltine hoped that more money would be spent than otherwise would have been the case under the existing structure.

He said there were no plans for further UDCs and that the present machinery of inner city partnerships would not be scrapped although there was room for much improvement and greater efficiency by parinership hodies.

By that stage all the partnercommittees had completed the task of preparing three-year programmes, but despite con-tinuing criticisms from bodies such as the Town and Country Planning Association that the programmes fell "far short" of objectives, the Government maintained that it was too soon

to fully assess the scheme. Perhaps the main criticism of the partnership structure has been that it is too unwieldly and, because of its bureaucratic nature, effectively excludes both metantial animate investment and potential private investors and potential private investors and local community groups and voluntary organisations from meaningful involvement. Although, publicly, most of the local authorities involved in the partnership schemes are in farmur of the system privately. favour of the system, privately they have admitted doubts about its efficiency and concern that

little can be achieved at partner ship meetings attended by perhaps 60 or 70 people. The other main criticism of the scheme has been its lack of any real financial muscle. Set against the annual total expenditure of about £17bn the £125m

extra Urban Programme funds set aside for the inner cities is clearly marginal. Extra funds for the inner cities have come primarily from two sources-urban aid grants. and the "enhanced" provisions of the Inner Urban Areas Act. Under the Act special urban-

programme grants to the partnership areas and to 15 "programme" authorities— have been made in a three-year rolling programme. In the current financial year the seven partnership authorities were to have received £73.6m at November, 1978, prices in urban programme grants, while Docklands was allocated an additional £70m November last year Mr. Peter package of loans, grants and guarantee monies in February retary, called together the part-nership members to discuss ment decision not to back the Trammell Crow trade mart

complex\_

It is on these figures that the present Government the £7m cut. In 1980/81 urban ogramme resource allocations to the partnership areas were due to increase by £19m to

Despite the relatively small ize of the urban programme funds when compared with total local government expendi-ture, the Inner Urban Areas Act has provided other real benefits. The rate support grant settlement and main line spending programmes such as health and education were "bent" under Labour to favour the inner cities.

#### Powers

In addition, the Act provided a wide range of additional powers to the partnership and other designated areas. Areas designated under the Act could provide commercial loans for land purchase, construction and modernisation of buildings, and loans for the installation of services of up to 90 per cent of the value of the land and buildings where other sources of finance were not available.

local authorities Where designated industrial improvement areas, the Act permitted them to give grants or loans for environmental improvements or to convert buildings to provide new jobs.

Ultimately, however, the test of this style of inner city policy has depended on the degree to which local authorities were able to generate new confidence in the business opportunities of their inner city areas and so attract private investment.

Against this benchmark the experience of the inner city policy has been mixed. Liverpool for exa the whole range of State aids to the inner cities was on trial there have been both successes and failures.

Private industry—and hoose builders—have shown renewed interest in the city centre and the derelict 400-acre South Docks. The City has been unable to keep up with demand for advanced factory nursery

Nevertheless Liverpool, common with other inner city areas, has "suffered" as a result of the success of the satelite" New Towns on its perimeter and the preferential treatment accorded to industry setting up on Merseyside as a Government under whole regional policy. These factors have made any real assessment of the impact of inner city policy that much more difficult to measure.

Against this background Mr. Heseltine and his Cabinet colleagues have therefore faced serious problems in deciding how best to encourage private investment in the inner cities. while at the same time making more efficient use of public resources.

The two main alternatives which emerged during the Department of Environment review were either to stream-line the existing partnership arrangements-or the far more radical approach of abandoning the partnership arrangement altogether in favour of the creation of new-town style authorities. Both sets of proposals were studied by Department of the Environment officials following a "tour" of the partnership areas by Mr. Heseltine and his Environment Department team.

A continuation of the existing partnership arrangements—in total or in part—has attractions if partnership meetings could be made more productive and responsive to the private sector could have advantages in terms of continuity.

However, the new town proved its corporation had vehicle . for capacities as a attracting new investment in the 32 new towns established in Britain.

While the idea of using the new town solution to provide the impetus for industrial redevelopment in the inner city areas is not new such suggestions traditionally have met strong opposition from the local authorities—who fear a loss of local democracy and under the Labour Government, from the Cabinet.

However new-town style authorities could provide the renewed confidence in the inner cities because of their wider powers to attract invest-ment and provide infrastructure free from many of the constraints imposed by local government involvement

During the past few weeks the Cabinet has been asked to the Cabinet has been asked to approve proposals for changing the status of all seven partnership areas. If the new-town eption, is adopted it would fundamentally change inner fity policy and, together with other changes in industrial and environmental policy could previronmental policy, could pro-vide the changed climate which appears to be so desperately needed if the inner cities are

Paul Taylor

## Slow progress in dockland

LONDON'S DERELICT docklands present perhaps the greatest challenge to inner city policy-and potentially some of the most exciting opportunities for imaginative re-development. With about 5,000 acres of land

available for development Docklands, which straddles five London boroughs in the East End, is the largest and most generously funded of the seven inner city partnerships. -

Nevertheless, progress in re-generating the Docklands area ras been painfully slow. lack of any real transport system to, through and from the area has been one of the major obstacles to new private investment. Difficulties caused by the different sectional interests of those charged with overseeing the re-development, complex planning controls, and a continuing uncertainy over the future of the Port of London itself, have added to the pro-

The bluenrint for re-developing the Docklands area is contained in the London Docklands Strategic Plan published in 1976 by the members of the Docklands Joint Committee-composed of members from the five docklands boroughs, the Greater London Council, The Port of London Authority and community representatives.

Docklands has now been the subject of two separate investigations by the Environment sub-committee of the Commons Expenditure Committee. The last one, completed earlier this year, has yet to be published. Evidence to that committee provides an insight into the reasons why progress has been difficult and the extent to which original targets contained in strategic plan have slipped.

In evidence to the committee in February the Joint Docklands Action Group, the members of the Docklands Joint Committee representing trade unions and community groups, pointed out that instead of the 550,000 sq metres of new industrial floor-

space due for construction by 1982 only 159,000 sq metres were likely to be completed by then. Instead of the Strategic Plan prediction of between 11,000 and 13,750 new lobs created by 1982 the more likely figure is between 3,200 and

Despite successes in attracting private to Docklands the industry private sector has shown an understandable reluctance to move into an area where transport and other facilities are inadequate and where there has been a lack of confidence about central and local government

#### Summarised

The attitude of the private sector to the docklands initiative was summarised by Tesco Stores in its submission to the Commons committee. Tesco produced a ninc-point plan to improve private sector confidence in the area which included " the need to eliminate the delays in the policy/plan-ning process which, to date, have hindered the effective re development of docklands, with a consequent impact on invest ment confidence.

Extensive publicity campaigns both in the UK, following the lifting of advertising restrictions on London and abroad have failed to produce the prestige project so desperately by the docklands boroughs.

The decision of the Labour Government in February not to provide guarantees totalling £43m for the Trammell Crow trade mart project came as "a crushing blow" not only to Sir Horace Cutler, Conservative GLC leader, but also to the Labour - controlled London Borough of Southwark in which the 133-acre mart was to have been sited.

the Government Although topped up the £16.3m urban

an extra £70m in guarantees loans and grants as compensation for the loss of the project, alternative schemes have yet to

The successes there have been attracting new private invest-ment welcome as they were, are considerably more limited than the trade mart complex. Never-theless, plans by the News International Group to build a £50m headquarters on a 13-acre site by the Thames in Tower Hamlets have provided a glimmer of hope. Rowever, like a £4m speculative private industrial development by Fraser Wood Properties—

CONTINUED ON NEXT PAGE

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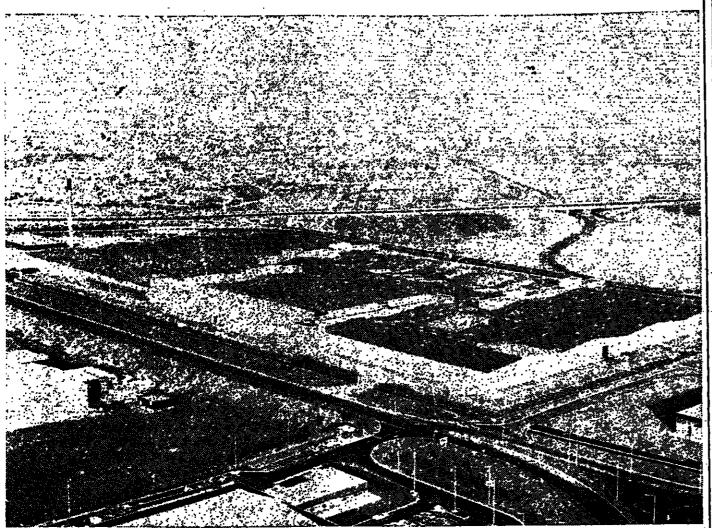


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## New worries for the New Towns

THE NEW TOWNS - those of the 28 in all throughout the tion could be alloted by way of the 10 years to March 1978. ing sprawl and congestion in funds. Britain's older cities—have seen more political upheaval in the past two months than at any time in their 40-year history. And the upheaval is by no come up with a programme of means over yet.

has been apparent that the significant sum. To concentrate political climate in which the political climate in which the heir minds during this period he imposed a moratorium on any changed. Instead of praising the new contracts they were plannew factories, pleasant dwell- ning. ings and attractive surroundings of the garden cities, politicians of New Towns agreed to sell have been touring the centres 2100m or so of their properties sales.

of the great conurbations lookwithin the current financial To ing for ways to rebuild and year. In addition, as a result rejuvenate them. rejuvenate them.

The "inner city" movement has been uneasily conjoined with the New Town principle, therefore, for some time. In fact since Central Lancashire New Town was established in 1970 no other has got off the

Liantrisant, planned to be the third one in Wales, was abandoned amid controversy. Then stonehouse in Scotland, even though it would have been managed by the development cor-poration of East Kilbride—a genuine augury of success—was not proceeded with although the land had already been acquired.

#### **Positive**

Finally, a year or two back, Governments embarked on a positive policy of encouraging investment in the inner cities, setting up partnerships between level authorities and central local authorities and central Government for certain of these areas which competed directly with the New Towns already struggling in a poor economic climate just beyond the city

So the omens for a volte face on New Town support have been apparent for some time. How-ever, it was only in July that the new Government began to

wield the axe.
In pursuit of its policy of reducing the public sector's of No borrowing requirements and the Sale.

Mr. Michael Heseltine, Secretary for the Environment, talked to their development corporations and suggested that they disposal of their completed Over the past three years it assets which would raise a really

Consequently, the association to development funds under the Labour Government's spending cuts last year, and under this Government's April Budget, they have to find a further £40m to fulfil their current development commitments.

The sales involved look like being one of the largest and hastiest property auctions ever arranged in the UK. Mr. Heseline has called in Healey and Baker to give him personal advice; the association has ap-pointed Jones Lang Wootton and Hillier Parker May and Rowden to undertake the actual

disposal programme.

Meanwhile, the investing institutions, stuffed with funds earmarked for property and starved of prime properties on which to spend them, wait to pick off the plums in the New Towns portfolios.

The Government's urgency in raising the money has given rise to powerful fears that the to powerful fears that the auction programme — which at present looks like the solution being adopted—is not the best answer. It could, all too easily, leave the New Towns with a rump of poorer quality properties which would be a drain on

the country for all time.
Other solutions are hastily being discussed of which the most favoured seems to be the establishment of each New Town, or even possibly a group of New Towns, into a Trust for

Under such a scheme, the

planned alternatives to increastownspeople could buy; a proportion could be alloted to the jocal authority direct; pension

funds with their special tax positions would be interested in a property unit trust; and insurance companies might take pure equity shares.

raised against the revenue and potential capital growth of the whole portfolio of the townbad as well as good-instead of involving individual property

intervention in the New Towns has been restricted to the order for the disposals, which amount to 21 per cent of the revenueproducing assets of the 21 New Towns in England.

#### Radical

But there are indications of Towns is being considered."

The New Towns Commission was set up to administer the properties of four of the oldest New Towns, Hemel Hempstead, it clear that fashion has turned to the content of greenfield.

Under the recent order by which all the completed residential properties in the New Towns were transferred to the appropriate local authorities, the Commission lost much of its original role. However, in return it was to take over the commercial property assets of each New Town from the development corporation as its dis-

solution date was reached.

Thus next year the Commission is due to take over Corby. Stevenage and Harlow. By 1984 it should also have assumed the assets of Runcorn, Bracknell, Redditch, Washington, Basildon and Skelmersdale. Since 1970 the New Towns

Commission has been self-financing. Its management of the the economy, the new Govern-trustees could then offer chunks original four towns has proment hit upon the more mature of equity in the trust in a duced a rent roll which has of the English New Towns—21 variety of packages. A propor-

It controls assets worth about £130m and has revenue reserves of at least £10m despite having paid off £20m or so of the £112m of borrowings needed to build the four towns in the first

The Government, by ordering the Commission to play its part The benefit of such a scheme in the property sales demanded would be that funds could be this year, has obviously decided not to wait the long period of time needed to repay the total loans out of revenue.

The nine extra towns which the Commission will take over by 1984 will also come to it shorn of a fifth or so of their And this must place a questionmark over the entire future of the Commission.

Meanwhile, in a curious compliment to the success of the New Town concept, Mr. Hesel-tine is considering turning the seven inner city partnerships into New Town-style develop-ment corporations. They would be funded, like the original New even more radical intervention.

In July, Mr. John Stanley, be funded, like the original New Minister for Housing, told the Commons that "the future of Commission for the New Treasury, and they would have tronger powers to buy land and attract industry to it

Crawley, Welwyn Garden City against the concept of greenfield cities outside the borders of the lopment was substantially completed. tions and rehousing some of their industries.

However, governments seem aware that the structure under which this concept materialised is not one which should be abandoned. The success of the New Town development corporations in attracting industry has been remarkable, particularly as their locations were deter-mined by social need rather than commercial sense.

It is no coincidence that the

development structure for the inner cities is intended to be along the same lines. Commercial property men have long mooted the idea of a New Town development corporation for such problem areas as London's Docklands—at present frag-mented among several local

Christine Moir

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## Dockland CONTINUED FROM PREVIOUS PAGE

News International site is on the "more aceptable" fringes of

The need for comprehensive infrastructure and particularly transport has been seen increasingly as the key to making Docklands 2 more attractive area for industrial and commercial development. On transport as on other matters, progress has been frustrated by 2 com-bination of a lack of funding, disagreements between the individual boroughs and an apparent lack of enthusiasm from ent lack of enthusiasm from central government. There are, however, indications that atti-tudes are changing. Although Mr. Norman Fowler, Transport Minister, like his predecessor, has expressed reservations about

to lead to a possible public introduced to lead to lea lief Road. Last month the GLC announced the first stage in a consultation exercise designed

Disagreements on the route of mittee composed of the leader mittee members on the route of the GLC and leaders of the mittee members on the route of the road do serve though to illustrate a fundamental weakness in the partnership approach to inner city redevelopment—a weakness which has been particularly apparent in Docklands.

Much of the cyidence heard mittee composed of the leader of the GLC and leaders of the five boroughs was empowered to take day-to-day decisions.

At the same time, a new Docklands Development Organisation (staffed mainly by experts from the New Towns, was set up in an attempt to attract new

Minister, like his predecessor, has expressed reservations about the cost of the proposed Jubilec underground line extension into Docklands, he has promised a "sympathetic" hearing for a wide range of road improvement plans.

Auch of the evidence heard up in an attempt to attract new jobs and industry to Docklands. This organisation might now mot the Docklands Joint Composed the basis for a new style of development agency in the New Towns, was set up in an attempt to attract new jobs and industry to Docklands. This organisation might now mot the Docklands structure of the evidence heard up in an attempt to attract new jobs and industry to Docklands. This organisation might now mot the basis for a new style of development agency in outside the local government ment decide to adopt a different

backed by the Phillips and Pye Pension fund—on a site close provements is the proposed unanimously that at the very Such an authority, given wider provements is the proposed unanimously that at the very powers than the partnership to the Blackwell Tunnel, the figure on Docklands Southern Releast the existing structure had powers than the partnership to be streamlined to minimise committee, could provide Docklands Item Read Last month the GLC to be streamlined to minimise the figure of the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the figure of the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the partnership and provide Docklands Southern Releast the existing structure had be streamlined to minimise the partnership and provide Docklands Southern Releast the existing structure had be streamled to minimise the provide Docklands Southern Releast the existing structure had be streamled to minimise the provide Docklands Southern Releast the existing structure had be streamled to minimise the provide Docklands Southern Releast the existing structure had be structured by the structured by the structure had be structured by the structured by delays in taking policy de-cisions.

ands Joint Committee.

Disagreements between comStrategic Plan a smaller com-

The Port of London Authority has offered to hand over about

1,000 acres of unused land to a new authority in return for the writing off by the Government of part of its £96m debt. When coupled with measures already announced to ease restrictions on development in London such a new-town might herald new hope for Docklands

and provide the confidence

needed to stimulate private in-

Paul Taylor

Competition for prime sites

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## IF INVESTMENT prophesies lar with spirited competition for are ever self-fulfilling, the now scarce prime sites. In this industrial property market is climate, values of industrial

the right place to be. And if economic trends and forecasts have any impact on rental growth and values, warehouses and factories should be strenuously avoided.

scene and, as usual, meither is entirely right. The answer lies somewhere between the two; with the successful industrial investment resting squarely on a policy of careful selection. The economic prognosis is alarming. Productivity is no better than three-day week levels, Britain's industrial basis. is said to be shrinking every year and what little real growth we have achieved recently is widely expected to be whittled away by a world trade recession, adverse currency parities

and high wages. But as Grant and Partners, estate agents specialising in the industral market, pointed out recently: "The level of new development activity - particu-larly that initiated by the major institutions-has been spectacu-

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now scarce prime sites. In this climate, values of industrial property throughout the UK have risen sharply.

At first sight, this explosion is inexplicable. Interest rates are high (and the coupons chered on Government stocks These are two constrasting amply reflect the cost of rental growth. views of the industrial property money), building costs have inflated and land prices are soaring.

The industrial investment sector, over the past year or so, has done the institutional investor proud. Can it continue to do so if the spectre of recession becomes a reality and the UK manufacturing base shrinks still further? Clearly not, at least not on a wholesale basis.

There are a number of intrinsic reasons why the factory and warehouse sectors have done so well. If the office and shop investment markets are leading examples of imperfec-tion, the charge cannot be laid with the same vehemence at industrial space.

Factories and warehouses can be acquired for a very much smaller capital outlay than a smaner capital outlay than a high street shopping site or a headquarters building for a commercial tenant. The fund manager thus achieves a very much better investment spread and cuts the risk implicit in tying a large proportion of his portfulio in one development. mountable to the manager of a trading location, in various tion. large, mature fund but new-comers have often baulked at

per cent. That may allow for an on either side but, at these alternative investment media demand a significant rate of

Because industrial rents have been rising from a low money platform, growth has stripped that of commercial or structure naturally rests on shop investments. A factory rental expectations, however, rent which rises by, say, 50p and the industrial property per sq ft from £1.75p has, after all, matched the performance of an office in which rents rise by as much as £4 to £18 per sq ft. Grant's own estimate of rental

> country in the 12 months to last June show just how dramatic the effect of just a few additional pence per sq ft can be. The firm concluded that overall rents had risen by 18.2 per cent over the year, breaking down to an average 18.7 per cent uplift in London, 20.3 per cent in London and the Home Counties and 16.1 per cent in

And the old saw that the three criteria of successful property investment are location, location and location is no less true for being a cliche. The analysis is founded on a schedule of rents for a 10,000 sq ft standard warehouse, distribution depot or light industrial unit of modern design and construction situate in an established main road

the King's Cross, Camden area. And the best advances have occasional quarter point leeway been recorded in pivotal areas of the road and airfreight net-

> As stockbrokers Vickers da Costa pointed out in a survey earlier this year: "Growth within the industrial property market continues to be dominated by the expansion in warehouse space resulting from the growing international trade in finished manufactured goods."

#### Stability

The British economy has shown an uncommon ability to "suck in" imported goods and the position has been exacergrowth in various parts of the bated by the apparent stability of a high sterling exchange rate. With the hefty effects of a tax

circumvented any threat (howmeasures by setting up factories and depots in this country.

So, even with Britain's rather can have reason cautiously optimistic about the light factory and warehousing markets, provided their funds are committed to a prime loca-

As things stand, bulls of the The survey knocks down some industrial property market can this high cost relative to cash flow. If, as some now argue, the industrial property sector is in danger of over-heating, it is possible that fledgling funds have raised the temperature significantly in an effort to get their monor into the monor

warehouses.

But as Grant has pointed out, developers have rushed to try to balance the supply/demand equation this year and the pendulum is in danger of swinging the other way if speculative builders ignore the precept of trade-related communications as the arbiter of rental growth prospects.

There is a possibility, however, that adherence to the principles of good location will be self-defeating. Building costs are inflating by 14-2 per cent each month and land sold to developers attracted to the magnet of Heathrow Airport is changing hands at levels approaching £400,000 per acre.

Prices in excess of £300.000 cut coming through this autumn it may be wrong to assume that the level of import activity is about to die away in the economic in such a climate only when rents reach the near term. In many cases, mate only when rents reach overseas manufacturers have about £2 per sq ft. In many rents are provincial areas, lagging behind this target.

For the moment it seems that much new development has been concentrated in regions of lop-sided current involvement in the world economy, investors seeking accommodation near seeking accommodation near Heathrow and the road network capital have proved willing to pay over £3 per sq ft and it may well be that rents of £3.50 will be reached in the short-term future. Factory and warehouse rents are still a far lower proportion of fixed overheads than those of retail and commercial

premises. But this is development-and investment-in a hothouse and while there has been a high level of investment throughout the country, the area around significantly in an enort to get indicease that the first money into the ground and broken through the £3 per sq ft throughout the country, esti- London Airport and motorways revenue-producing.

London Airport and motorways barrier in the inner suburbs of mated that the amount of through the Home Counties are

It is now widely agreed that South West London, inner vacant space available as a per-yields on prime industrial space boroughs of West London and centage of total stock at the end siderable margin. Unfortunately, have been pushed down to 6.25 the King's Cross. Camden area. of last year was 1.5 per cent for plum sites are in very short of last year was 1.5 per cent for plum sites are in very short factories and 2.4 per cent for supply and institutions have been markedly unwilling to opt for anything but the very best

developments. A target of 20 per cent industrials within a direct property investment portfolio has not been an uncommon aim. If this objective has not always been realised it is often because managers must take a prag-matic view of the prime property market in all three categories and selze opportunities in an era of limited supply where

they can. It does seem, however, that the institutions are rather less willing to push the industrial market temperature any further up the thermometer, Yields of 6.25 per cent may be about to stabilise, certainly they have paused at that level for the past few months.

Oversuas investment now be-comes more feasible. The pace of U.S. involvement may be rising and perhaps the scars of past European ventures have healed. The Budget untied many of the investment strings.

Measures announced by the Chancellor at the same time to repeal the Community Land Act and reduce the rate of Development Land Tax to 60 per cent coupled with the pressure to cut Government spending has increased the availability of local authority-owned or spon-sored development sites.

The steam of the industrial sector should be allowed to evaporate for as Grant and Partners stress: "Stability in the property investment market with its ramifications throughout the entire basis of financing industry and the provision of employment—must be main-tained at all costs."

Ray Maughan

## Warehouse market buoyant

BUOYANT is the word the available in England and Wales than 5,000 square feet of floor housing: against a background pleted floor space of about

According to the latest begun to take place.

industrial property world is in April of this year was a full ing fall outside the scope of the of weak domestic manufacturing using at present to describe the sixth down on the level of survey. But at the same time, warehouse market. Rents, December 1978. Of the eleven new building appears not to warehouse man-especially in the South of regions surveyed only one man-have kept pace with demand. England, are noving upwards as aged a modest increase in space. This is partly the result of demand for storage space shows available, while in some parts social and political pressures. every sign of outstripping of the country the survey sug-supply. As unemployment mounts it being seen in nearly all sectors gests a considerable squeeze has has become increasingly diffior the consumer durables field.

> to 22.4m in the five months to April. "In prime locations there is now a very limited choice of modern single storied premises to let and this is especially so with freeholds,"

King and Company warns.

There was a gain of 3 per cent to 10.5m sq ft in the East Midlands but this was right against the overall trend. London and the Home Counties suffered a decline of 22 per cent, leaving the area accounting for 39 per cent of available space against 42 per cent just five months earlier.

The amount of warehouse space available has been shrinking since December 1978 but the chartered accountants' latest findings point to a marked acceleration in the trend. From December 1975 to April 1979, storage space available in England and Wales declined by 40 per cent. But more than a third of the shortfall occurred in the final five months of the

A number of conclusions are drawn. King and Co. point out that in recent years developers have paid greater attention to are an equally important factor £200m, a land holding of more smaller units. Those with less in lifting demand for ware-than 2,000 acres and a com-

As unemployment mounts it

cult for developers to gain planfacturing development rather than storage facilities which provide relatively low levels of employment. King and Co's. survey, which is spread across manufacturing as well as worehouse property, reflects this pattern of events.

Of the total sample, manufacturing industry accounts for 55 per cent of available floor space with warehousing the balance. At the end of 1978, manufacturing floor space accounted for 52 per cent of the total sample.

are a number of key strands. Following the latest twist in the oil price spiral, transport cost are an obvious pressure point. A decade ago the retail and distribution trades were moving towards larger warehouses set at ever greater distances from each other. Today, conventional planning tends to move the other way as fuel becomes a major and unpredictable variable in the cost structure of

the transport business. Fashions in consumer goods output the popularity of imported goods goes from strength to strength. Consumers' being seen in nearly all sectors

The buoyancy of the ware-The South East of England is a prime area where, for the right property," rents this year have risen by as much as a

#### Acceptable

This sort of rental strength has helped lift warehousing to the top of the pile in terms of investment by the developer. Most industrial property developers now find warehousing "every bit as acceptable" as prime factory property. At As for demand itself, there Slough Estates, warehouses re a number of key strands. account for about 60 per cent of ollowing the latest twist in the property portfolio following it price spiral, transport cost increasing concentration on this

> The company has recently completed a 190,000 sq. ft. warehouse which it was prepared to sub-divide in order to let it fully. But the property was quickly snapped up—by the wine merchants Saccone and Speed — and Slough Estates reports plenty of new work on hand, The company's portfolio has a book value in excess of

Structurally, the modern warethe 1950s, though it is now tastes in cars is a graphic guide found in a vastly incressed to the demand patterns now variety of sizes. From modest units of less than 5,000 sq. ft., the modern warehouse can range up to 500,000 sq. ft. Ware-According to the latest survey from chartered survey from chartere have stabilised at between 20 and 24 ft. at their loftlest.

> The average size of a warehouse in this country is pro-bably in the 40,000 sq ft range. There have been no obvious new developments in construction in recent years and these buildings rmain the simplest of commercial structures. Equally, building regulations are minimal and comparatively uncomplicatedin contrast to the complexity of design found in many manufacturing estates.

> According to King and Co., the number of warehouses sampled of 100,000 sq ft and over rose from 90 to 96, while the percentage of buildings not more than 10 years old moved down to 49 from 56 per cent. Single-storey buildings again accounted for 87 per cent of the

> sample. Outside London and the Home Counties, the main pressure points in terms of the squeeze on floor space were the North East and Avon and the South West where the five months to April saw available warehouse space decline by almost a third. Jeffrey Brown

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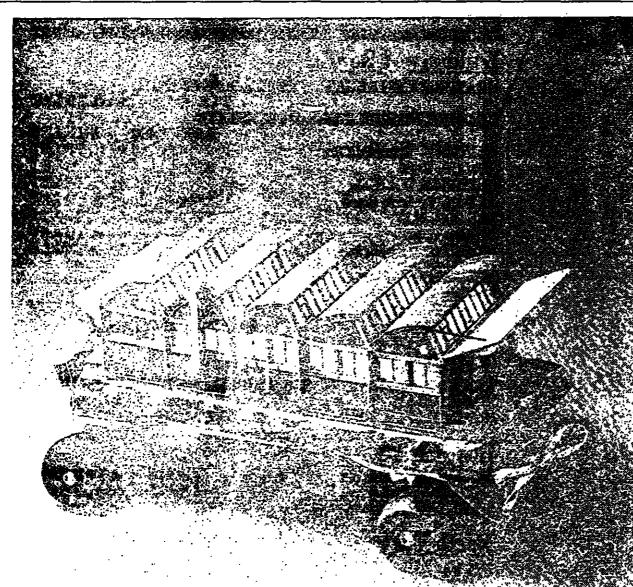
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## Small factories set a growing pattern

BRITAIN MAY once have been which would attract blue chip pritain MAY once have been which would attract blue chip points over the conventional in—are now achieving £3.50 or described dismissively as a tenants and thus the desired hatlon of shopkeepers but now a matter of a little social that would imply an initial re-the year. After climbing from nation of shopkeepers but now covenant. It has been perhaps on most nursery developments. a nation of small workshop users a mixture of a little social. That would imply an initial rehas become a more appropriate awareness, swift lettings and tag. Development of nursery high rental growth which has industrial units to match this drawn the institutional investor industrial units to match this trend is growing apace.

The term nursery unit, with its kindergarten undertones, might imply some junior, even experimental enterprise. Far from it. Occupiers of nursery space are encouraged to grow, to expand into adjacent space and eventually to take a major site on an industrial estate.

The concept is by no means new: nursery units were de-veloped in the post-war new town construction phase but it is only in the last few years that it has been realised that the majority of the working population is not employed by the ICIs of this world but by small manufacturing and service companies. However fragmented the approach sometimes seems, all sides of industry are pushing for further aid for the smali businessman.

Estate agents from nearly every part of the country report that the market for these units is hard and very buoyant. Space is let as soon as construc-tion is completed.

#### Climbing

King and Co., a specialist agent in the entire industrial property market, estimates that the rate of nursery unit development is climbing rapidly. It calculates that the amount of vacant space on the market in the southern half of the country has roughly doubled in the past two years and that perhaps 2m square feet of the 16m square feet stock of modern (under 10 years old) vacant space comprises units of under 5,000 square feet or less. It is interesting to note that all nursery space is modern and is

let immediately. The upturn might have run out of steam had it not been for the recent entry of a powerful new source of funding. The market for these small units has long been fostered by local authorities whose efforts were ometimes complemented by the private investor willing to take year's view of rents and

But, as the pension funds and life assurance companies began to pick up the pieces of failed 1974 market crash, they quickly realised that the risks inherent In direct industrial property insulvement were not insurmountpble. The rewards, as we show elsewhere in this survey, have been attractive.

But until recently, their in-terest was confined to large units. 10,000 sq ft and upwards,

into the nursery market in a growing way over the last two

If it is remembered that an institution is committing pension fund payments or life assurance premiums to a building over a 21-year or 25-year term, it is easy to understand the desire for financially secure tenants; and a listing on the Stock Exchange is perhaps the best, if not surefire, guarantee

of a first-class covenant. The record of small business failures is not encouraging and by comparison with larger units, nursery space is relatively expensive to develop. The wall brick to floorspace ratio, for example, is higher and the use of loading bays usually planned at a width of 60 ft, is less

Tenants come and go, their use of outside storage is often frequent and in the words of one agent, an industrial nursery development quickly gets to look "quite mucky." In other words, small units entail a far higher degree of management.

However, the market has adapted to the needs of a funding institution. Local authorities may develop units from 800 sq ft upwards but this is regarded as quite uneconomical for institutional developers who would normally look only at schemes where the average unit space starts at around 3,500

If an institution is to accept the burden of estate management and is willing to accept the absence of blue chip covenant, a higher investment yield is generally incorporated.

It should be said that while

the small businessman predominates, quoted companies still need space for storage and distribution in most areas of the country. But an institutional inpremium of perhaps one or two keen investment interest, rents

turn of. say, 8 per cent, per-haps a little more.

Where a local authority takes an overriding lease on a scheme and so guarantees the covenant, as an institution would expect for units of less than 3,000 sq ft, yields will stand a little closer to the price industrial

#### Lease

For example, two local authorities combined with a developer to build 12 nursery units on land owned by the developer outside Leicester. These offered space varying between 2,000 and 4,300 sq ft. The local county council has taken an over-riding lease on the estate at a starting reacted. the estate at a starting rental of £49,000 annually exclusive and the resultant investment has been forward sold to the London Borough of Croydon Superannuation Fund (which was advised by Knight Frank and Rutley) for £675,000 to show a net yield of 7 per cent.

The small businessman rarely thinks of a rent in terms of a charge per square foot. The nursery unit tenant often discusses a rent with his landlord as a cash sum that he can affect each water. afford each week. He may, for instance, weigh the cost of increased rent on expansion against the wages of a new

If he defaults, goes out of business or quits the tenancy for any other reason, demand is such that the space is filled almost immediately. So rather than face a void, the landlord is faced with the welcome prospect of an early reversion. Reversionary terms, in any case, are generally fixed for three years which, although not by any means uncommon, is not yet the norm for larger indus-

trial units. In prime locations in West vestor would still look for a London, to name one area of

a level of about £3 at the end of last summer, nursery units have substantially beaten the performance of units over 10,000 sq ft in which rents have grown by between 15 per cent

In the words of Grant and Partners, another specialist agent in the industrial property market: "Nursery units bring life to an estate and often enable a developer to let larger

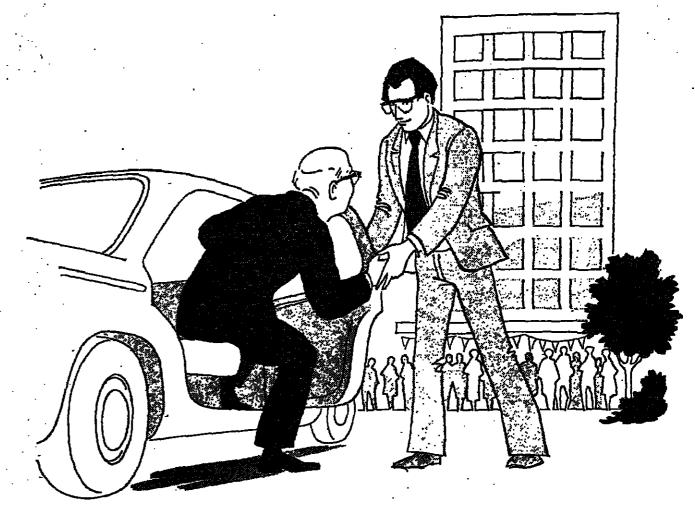
space quickly."
While a policy of urban renewal is to be applicated, and efforts to bring small businesses back into town and city centres is best served by joint co-operation between local authorities and institutions and a thorough understanding of each other's needs, criticisms are being quietly voiced at the level of nursery development on greenfield sites.

Since the size of nursery units limits flexibility and very much opportunity to develop new manufacturing proc the criticism runs, the rush to serve the small businessman is building obsolescence into the modern industrial base. Some would argue that it is difficult to link more than two small units and the expansionary step

up from, say, 6,000 sq ft to 10,000 sq ft may be difficult. For the moment, the nursery unit market has had a good run and the current level of demand for such space helps to ensure the prospects of further rental growth. Institutional difficulties over covenant have been mostly sidestepped and yields show an attractive premium to other sections of the property market It now remains to be seen

whether the commitment on all sides to bring much-needed industry back to the fast-emptying city centres is something more than an ideal. Or is greenfield expansion simply the easier development option?

Ray Maughan



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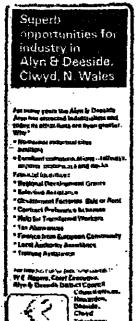
## Building costs accelerating

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the rate of 11 per cent or 50 a month, an annual rate of 20 per

Other observers think the rite of growth has been even igher—to perhaps 30 per cent e an annualised basis. Opinions differ as to the

easons for the increases which re distinctly more marked than hey were a year previously. ome argue that contractors are imply passing on increased costs of materials, wages and overheads. Others believe they have been trying to claw back some of the margins lost during the grim years of 1975-77.

Materials costs, according to all the official figures, have been on the up recently (when have they not in recent years?) But the pace has been steady and regular rather than spasmodic

or dramatic. Wages, on the other hand, 35-hour week, extra paid holl-days and higher basic rates. If only some of these demands are increases, met contractors' wage bills this

Mr. Al.

Bilton is

and this has led some observers to believe that contractors have rents will continue to keep pace regained sufficient self-confiregained sufficient self-counregained sufficient self-counthe long years of lean, if not of a standard warehouse unit
the long years of lean, if not of a standard warehouse unit
which meets institutional rewhich meets institutional reorder to get scarce work during

Thorpe and Partners, said others a proportionate share of recently that during the reces-sion contractors had been on a Nevertheless, there is some consion contractors had been on a figure of between finally been would to its limit. \$13 and \$15 per square foot, Now, with more work about he excluding fees, land costs and says, that spring was uncoiling basic site infrastructure.

The view commands respect international study conducted but it is difficult to reconcile by Slough Estates on comparaboth observations with the fact tive building costs for standard that developers claim that industrial units does not throw

Whatever has been happening in recent months, there are better grounds for thinking that the next year will bring more tightening of the spring for the

past year has been their run. Prime warehouse rents of acceleration. Percy Bilton, the up to £2.75 have increased at industrial developer, believes a level which has kept pace with costs have been increasing at building costs and allowed some the rate of 11 per cent or so a scope for absorbing increases in land and ancillary costs such as interest charges.

As a result, according to the developers, building programmes have been running at a rate not seen since the early

which bear no resemblance to work in the building industry. drawing board viability studies. The more seasoned companies have reluctantly paid as much as £250,000 per acre to lop up their land banks with exceptional sites. But they are baulking at the £300,000 level reached on several occasions recently.

#### Gamble

Others have gambled on con-tinuing rent rises and paid as much as £400,000 per acre. With have leapt ahead. And there is interest rates remaining high more to come. Current negotia-tions are revolving round a basic say, a quarter over a year, say, a quarter over a year, investment at that level repre-

Mr. Alan Smith of Percy revertheless, wages alone are company is anticipating a insufficient to account for the level of increase in overall costs and this has led some characteristics. Bilton is not so sanguine. His

quirements because of the different criteria used by differ-Mr. Graham Bowes, on the ent companies. Some include industrial side of Bernard heating in their basic costs,

that developers claim that industrial units does not throw recent tenders have all produced offers within close tolerances of each other, and with the renewed claims by the contracting industry that it is once again starved of work.

Whatever has been hannening characteristics and the standard industrial units does not throw much light on actual levels of costs. But it does suggest that whereas in 1976 UK building each to the highest in the world, they have now become comparatively now become comparatively cheaper, with Belgium, Germany and the U.S. costing where Britain continues to score low, however, is on the

time taken to get a project built

The justifiably complimented

THE MOST striking aspect of Industrial developers at —from working drawings, industrial building costs in the present have had a reasonable through planning consent, to completion. The time taken in producing drawings obtaining planning consent and pricing a project in the UK continues to be longer than anywhere else, and is a major factor when financial carrying costs are hich.

However, the time taken for construction actual Slough's first study in 1976-by The warning signs of over-nearly a third. According to heating do exist, however. In- Slough this is largely due to dustrial land is fetching prices over-capacity and scarcity of

> At the same time, however, the UK's comparative performance is still poor. The control project in the study took 39 weeks to build in the UK. Projects as similar as possible in Germany took only 18 weeks. Even in Belgium, the country with the second slowest performance record, they took only 26 weeks.

Slough attributes the slow performance in Britain to a variety of factors, ranging from unreliable delivery of materials and non-standardised components to shortages of certain investment at that level represkills, outdated materials hand-sents quite a gamble on rent ling methods and the "absence of a sense of urgency."

The point about standardisation of materials and components is a particularly impor-tant one. Many developers complain that because the supply of heating units, electrical parts and plumbing fixtures is subject to frequent interruption, it is particularly important that contractors are able to mix and match units from whatever source is available. This, however. is not possible on any scale in the UK.

Other developers are concerned about inhibitions im-posed on them by inflexibility in the institutions' requirements for an investment building. They complain that architects occasionally hit upon truly beneficial innovations in building design or construction which would provide significant cost savings, only to have them barred by the standards laid

down by institutions' agents. How far this complaint is a practical rather than a theoretical one is hard to determine but with building costs rising at the rate they are, a threat of slackening in rental growth and a continuing period of high finance costs, every way possible must be sought to keep costs under control.

Christine Moir

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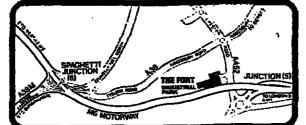
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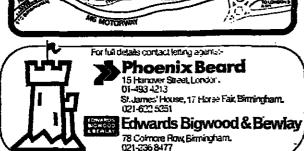
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#### LONDON/SOUTH-EAST

market in the South East can be summed up by the catch phrase "So far so good." The market has been undoubtedly strong for some time with rental levels for good prime site property comfortably over the E3 a sq ft figure that was still a talking point at the beginning

Institutional money continues to pursue industrial propertypolitically more acceptable than office development—and yields have been depressed in consequence to about 64 per cent.

THE INDUSTRIAL

Despite the increasing num-ber of gloomy predictions for the UK's economy over the next year that continue to flow from the analysts' typewriters, the pressures of continued high interest rates and the effects of a strong currency on the trading prospects of UK trading prospects exporters, prices of industrial property appear to climb steadily every month.

Undoubtedly company liquidity will come under pressure this year. A recent Depart-ment of Trade survey showed some improvement in company liquidity in the second quarter of the year but that did little to change expectations of a significant increase in companies' borrowing requirements this

These features provoke the question of how long the markket, even in the traditionally more buoyant South East, can keep pushing ahead, Indeed, a certain amount of caution tinges most conversations with agents looking ahead to the end of this year and into 1980.

#### **Pressures**

Though some bullish opinions still can be found the prevailing view is that companies will look more carefully at their expansion plans as pressures on liquidity grow. Some capital expansion plans could well come in for the axe though the South East does have in its favour the continued demand for warehouse space.

This is a reflection not only of its traditional role and the way the motorway links favour the capital and its outlying areas, but also because the strength of sterling drags in more imported goods which have to be stored before being feed into the distribution ratfed into the distribution network across the country.

Nevertheless the market in the South East could well be heading for a steadying period with rental levels stabilising. Increasing rental levels have opened up the margins over building costs to a stage where there is a satisfactory profit for developers. While building costs

may continue to rise there could surprisingly, larger units in the well be a resistance by com- 20,000 sq ft to 40,000 sq ft range panies to steadily creeping higher rental levels. This could result in pressure on land is slow moving.

Is the market in the South East heading towards the condition of an over-supply of in-dustrial property? Probably not is the likely response. The floorspace survey which is carried out periodically by agents King and Co. shows that there has been a fairly high level of new development the overall amount is not rising.

The amount of new property coming in appears to be holding stable and the take-up rate is such that there is no glut.

Admittedly there is a fair amount of development in the pipeline which has to be absorbed and there could be some over-supply showing up in the new year but probably this will be localised rather than general, and well placed development should still find takers. And, of course, one of the big differences between now and 1973 is that at present there is a shortage of the right type of industrial property available, but then there was a surplus.

However there are some optimists around. The shakeout in heavy industry, such as that recently announced by BL, may have a "knock-on" effect for component suppliers in the South East but the South is where most people live and work view, even though they may agree that rental levels could be in for a period of stability over the short term.

Anyway, for the moment the anything like reasonable size.

market seems as buoyant as Further afield the airport market seems as buoyant as Further afield the airports, ever, though possibly companies Heathrow and Gatwick, are focal good demand and, perhaps more off-take. However, such has

have also been moving quite well. It is, at least one agent reports, the middle range which

Despite Government pressures to try to direct industrial building back into inner urban areas—the earlier philosophy of decentralisation having long been abandoned—it is still the traditional areas in the South East which attract new investment.

#### Exception

The Docklands area (which is covered by a separate article) is a focal point for redevelop-ment in the capital but that aside there is very little happening there. One exception is some new industrial building which is taking place in the East End. Much of the demand in that area comes from the clothing manufacturing industry -a traditional occupant of the East End, which can take advan-tage of some of the older multistorey buildings.

One drawback for new industry considering coming into the area is that it is a high labour cost area. Also road links in East London are often regarded as below par, though no doubt they have improved. Agents Bernard Thorpe and

Partners have a development in the Stratford area of East London known as the Bow Industrial Park. Units of 5,000 and some agents, such as Industrial Park. Units of 5,000 Richard Ellis, take a bullish to 8,000 sq ft are letting at £2.65 a sq ft, and the agents believe that the East End could take off as it is one of the few areas in London with land available in

are becoming a little more points for development, and choosey in what they go for. naturally enough warehousing Small units continue to be in space accounts for much of the

Confidence falters

of over-supply. Haslemere Estates has recently completed a 290,000 sq ft estate developed in conjunction with Scottish Amicable Life. By far the biggest part of the site was occupied by the British Airports Authority, which took up to 162,000 sq ft. The rest was spread around

seven other companies with AKAI taking 22,000 sq ft down to Smiths Industries with 10,500 sq ft. Rents on the site are said to be at £2.30 a sq ft—which seems very reasonable given the In the same area Percy Bilton is just starting the final phase

of a development in the Hayes region. This will be about 40,000 sq ft and rents are likely to be in the region of £3 a sq ft Richard Ellis has a successful letting story in the same area. Its Pasadena trading estate in Hayes totals 102,000 sq ft. The first letting was to Home Charm, the DIY home decorative retail chain, which took the first three units and rents are understood to have crept up by a fair amount since the early months of 1979 to £2.75 a sq ft

Ellis is involved in another development in the Heathrow area. This is a Bovis scheme called the Heston Centre called the Heston Centre amounting to 148,000 sq ft of office and warehouse space. The final phase has just been started -50,000 sq ft beside the M4-which will offer a high degree of office accommodation. This sort of development appeals to companies incorporating a head office with a major warehouse within striking distance of. London, but avoiding the high cost of city centre offices.

Moving further south, there is a development by the Electricity Supply Nominees in the Wimbledon area where the joint agents are Michael Laurie and Richard Ellis. In all the site-Merton Industrial Park-

assembly of imported motor

Land shortages in Coventry

have been a restraining influ

ence on the market in the past

and since much of this is owned by the City Council, agents and

developers are now waiting with

interest to see if their policy

will change and more will be

"The prospects for Coventry are good in the medium term, but if things go seriously wrong at Leyland and we have a lot

of industrial trouble during the

winter, we could be in for a bad time. National factors have a

CONTINUED ON NEXT PAGE

made available.

Benefit

been the extent of development around Heathrow that some agents suggest that a more modest level of expansion is required to avoid the obstacle of over supplied to avoid the obstacle of over supplied to a supplie

Two more units are expected to be completed next year-30,000 sq ft and 45,000 sq ftbut asking rents are predicted to be much higher - reflecting substantial amounts of office space within the new units and perbaps a certain amount of

Industrial expansion in the South East tends to sprawl along the motorway network because of the obvious benefits of communications, especially for warehousing or light industrial requirements.

Pendham Place Estate, a Haslemere development, is a classic one placed in the area of the junction of the M20 with the M25. The first phase of this development in Swanley, amounting to about 155,000 sq ft. has already been taken up by Harris Carpets, which will use it for one of the most modern computerised ware

houses in Europe. The second phase will be seven units offer ing 100,000 sq ft. Looking towards the South Coast. in the Southampton/ Portsmouth area good industrial property can be found for not much over £2 per sq ft, but even this represents a very bi jump on the £1.40 figure that

was the norm at the beginning

There are plenty of examples

of the year. Terry Garrett

## Marlborough Developments

Mariborough the industrious developers are actively building warehouse/industrial accommodation at:

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## **MIDLANDS**

The latter, which is now nearing completion, is made up of 17 units up to about 5,000 sq ft.

with the smaller ones of about

with the smaller ones of about 1.500 sq ft clearly likely to attract immediate demand.
Accordings to Grimley and Sons there is still a widespread need for warehousing facilities all over the area, and those particularly well situated near treatments.

motorways are at a premium

But planners are increasingly

applying pressure for the development of factory

premises rather than ware-houses, since they create more

The company reports that demand for large complexes remains limited, except for

developers who see an oppor-tunity to split them up or re-

develop the site into smaller

units. However, this is not always easy since there is often

planning opposition, and the cost of redevelopment, taking into account space taken up by new access roads and parking

space, is high.
In Coventry, leading agents suggest that rents there have

also passed the £2 a sq ft mark and are continuing to rise, with

demand spread evenly through-out most areas of the city. The proximity of the M6 and

terms of supply and demand, and rents are still moving up-wards, some doubts are now being expressed about how long ties at Solihull, where the motor industry theory may be tested, this happy situation can last. Sufficient finance seems to be and the West Midland County readily available for developers Council's Tame Road industrial

confidently going ahead with a number of projects all over the area, and even the old bogey of troubles at BL has failed to be a deterrent. However, it is recognised that

industrial property market con-

tinues to be well balanced in

if the economy is on a down-swing, the motor industry and its associated suppliers in the Midlands will suffer quickly, and so will the industrial property market.

Some agents argue that the motor industry threat is over-played since the development of industry in the major produc-tion areas is now highly diversified. particularly in the type of smaller companies seeking premises.

It is in this sector of "nursery units" up to around 5,000 sq ft where rents have risen quite sharply since the start of this year, and the £2 a sq ft barrier has been broken. Some agents report that prices of about £2.25 for new premises in choice areas are being paid.

#### Constraint

Demand has been particularly strong in the south of Birmingham, parts of the Black Country and in most inner city areas for smaller units. Earlier fears that the supply of building land would be a constraint on the market have been allayed by the new Government's lowering the Development Land Tax and probably its psychological as much as its real effects.

The steadily increasing cost of development, estimated to be between 15 and 20 per cent in the past 12 months, has been on the western edge of the city, fully reflected in rent increases, as it has on the fringe of Birmbut it is clear that pressure on ingham.

company profits could easily create resistance to further in Coventry that the problems rises.

Two new profects under property market, they are also development will provide a good confident that any vacated BL guide to the way the market is premises would quickly be taken moving; these are a large under- up by alternative occupiers, taking by Brian Samuel Proper- even if they are used for the

the city's generally good posi-tion from the transport point of view continue to be an attraction, and agents also believe that the success of the National Exhibition Centre has created a demand for warehouse space

BL's Rover-Triumph plant at Canley, Coventry. An economic downswing would hit the motor industry and, in turn, the industrial property market in the

### INDUSTRIAL PROPERTY IX

## Great buoyancy in both sectors

THE INDUSTRIAL property market in Wales is very much a public sector domain. For a variety of historical reasons, the private sector up to now has played a very limited part indeed in the provision of indus-trial premises. Direct public investment, channelled either through local authorities or central government agencies, has been principally responsible for developing and expanding the market.

Dominating the Welsh industrial property scene since its establishment 3½ years ago has been the Welsh Development Agency, Wales's equivalent of the National Enterprise Board. Although the agency has an investment role akin to that of the NEB, it has put its main effort into bolstering and diversifying the Weish economy through a major expansion of industrial estate development and advance factory building.

It has also taken over the task of clearing Wales's indus-trial dereliction which has had a very beneficial influence on the industrial property market in cortain areas.

Playing a much smaller but, by common consent, valuable role in the market has been another statutory body, the Laud Authority for Wales, charged by the last government with carrying out the provisions of the Community Land Act. The authority is generally felt to have done a useful job in easing the flow of development land to private sector develop-ers by assembling sites, mainly for residential but also for commercial and industrial

development. Although the government is committed to repealing the Act, which has been a local authority responsibility in the rest of UK, there is still the possibility that the Welsh authority may survive with reduced powers. Over the past 18 months to two years, both the public and private sectors have developed

private sectors have developed in tremendous buoyancy. Although the WDA has been building advance factories at a very fast rate, of its total stock of completed factory space of 15.6m sq ft, only 1.34m-sq ft or 8.6 per cent of this total is currently available for letting.

Disregarding old premises, the amount of newly-built space amounts to only 858,000 sq ft or 5.5 per cent of its portfolio. Understandably, the agency start in next to no time. Withfeels amply justified in pressing
shead with further building
and recently introduced a
rolling construction programme
factor, which led that company
and many others to so to

#### Inheritance

letting which was casting doubt concept of advance factory by the private sector, on the building. In the main, these premises were a hangover from established as a natural growth the 1960s and early 1970s, when area. there was a better chance of attracting large and mediumsized companies to replace the

but it saw great scope in build-ing for potential "start up." The first two closures have enterprises and railway arch already triggered crash indus-

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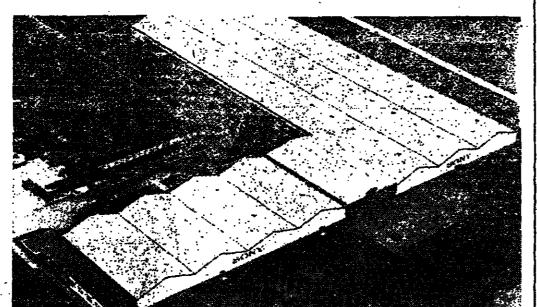
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Sony's UK plant at Bridgend, Glamorgan. The Welsh Development Agency is leaving the provision of premises in the area largely to the private sector

#### WALES

evacuees from South East England and the Midlands.

It is still building the occasional unit of 25,000 sq ft, but has found that most potential tenants at that end of the market was the besonder forther. ket want a "bespoke" factory which the WDA will either build for them to order or they

can build themselves.

The WDA's industrial properly activities have been concentrated in three types of location. First are the areas which it calculates have a potential for natural growth given sufficient pump priming. A classic example of this category is Bridgend, Glamorgan, where the agency has now limited itself to the preparation of land for industrial develop-ment, leaving the provision of premises, by and large, to the

private sector.

The policy paid off handsomely in 1977 of course when
the WDA's Waterton Estate was immediately available for the Ford Motor Company to develop its new engine plant. In its Europe-wide search for a suitable site. Ford made clear that among its requirements was land where building work could start in next to no time. With-

aimed at maintaining roughly a and many others to go to ten per cent stock of vacant factory space as existing premises are taken up.

Bridgend have stimulated the industrial property market of the town considerably. There is now an acute shortage of factory and warehouse accommodation in the area and rents have The agency began life with been pushed up in the past 12 n inheritance of too many months by about 50 per cent to an inheritance of too many months by about 50 per cent to unlet larger units—10,000 sq ft about £1.35 a square foot. But and over—and a record of slow the WDA has every intention of leaving this industrial property in some circles on the whole demand to be satisfied mainly

The second type of location is where the WDA's estate de-velopment and advance factory building programmes are being thousands of jobs lost with the building programmes are being rundown of the coal mining dictated by the rundow has with ndustry. steel industry. Wales has wit-The agency quickly concluded nessed two major steel closures, that the way forward lay in con-centrating on small and medium-sized units. In the more difficult economic climate, the shuldown of steelthe chances of attracting a third, the sbutdown of steel-tenants for large pre-built making at Shotton in North factories clearly had receded. Wales with the loss of 6,300

trial property development pro-grammes headed by the WDA developing industrial property to open up new employment in Wales in the past, the WDA opportunities in both areas. In the case of Ebbw Vale, it has involved the agency in the huge task of carving out a new indus-trial estate. Rassau, out of a mountainside.

Thanks also to the maximum regional development incentives being available, the agency has succeeded to date in formally or provisionally allocating 36 of the first 48 advance factories to be built on the new estate and other sites in the vicinity.

Development in Cardiff has heen slower because of the need to demolish and clear the East tucked away between the city centre and the shoreline. But construction of 18 advance factories ranging from 4.500 sq ft buildings.
to 25.000 sq ft units is already In the meantime, the WDA under way and there is no shortage of takers. All 18 units have been provisionally or formally let to companies which promise to provide 1.500 new jobs—an important step towards replacing the 3,100 jobs lost overnight

At Shotton, work is going than £1.50 a square foot, large Deesside Industrial Park. A similar crash programme of advance factory is planned if BSC's closure plan is carried

with the East Moors closure.

The agency's third type of industrial property location is where accommodation is reunited to deal with localised employment blackspots. recent example was Treorchy, in the Rhondda Valley, where the closure of a Redpath Dorman Long subsidiary with the loss of 300 jobs prompted the agency to demolish the premises (which it owned) and redeveloping the site with several smaller advance factory units,

#### Scale

Given its dominant role, the WDA is not surprisingly accused effectively preventing the private sector from operating on larger scale in the Welsh industrial property market. Yet, if the private sector had taken

would not today be operating on such a grand scale.

Moreover, while officials concede that there is an element of subsidy in its activities, they insist that the WDA still has a statutory obligation to conduct its activities in a commercial fashion as far as possible.

In fact, the arrival of a Conservative Government, dedicated to rolling back the frontiers of the public sector, has already prompted the agency to explore the possibility of involving private funds in this side of its activities. Thinking is still at The incoming enterprises expect to provide a total of 1.600 new jobs over the next three years. an early stage, but it could take the form of sale and leaseback arrangement with institutional Bloors works and open access investors of advance factory roads to the site, which is buildings — something already done by a number of local authorities anxious not to tie up too much capital in industrial

is proving just - eager as any private developer to maximise its rentals. In 1976 the average WDA factory rept was 500 a square foot. So far this year, the average is up to 935 a square foot and small units in Cardiff. for example, are letting at more

account of the two-year, rent-free period which the agency is able to offer to incoming tenants as an additional incentive and which undoubtedly aids its dominant positon n the market. However, WDA officials point out that the sum involved originally represented the regional development grant which any private developer also received and could pass on to the tenant if he chose.

They accept that the comparison is less today and it may be that the rent-free period will not survive the close scrutiny of Sir Keith Joseph, the Industry Secretary. But he has indicated that he recognises the value of the WDA's work in the industrial property field. Whether it will continue as at present, or in parmership with private investors, or be made to give scope to the private sector.

remains to be seen. Robin Reeves

CONTINUED FROM PREVIOUS PAGE

ing people from all over the country," one agent said.

Almost all areas of the Mid-

lands have benefited strongly from the resurgence of the industrial property market since the problems earlier in the 1970s, and Nottingham in particular has been able to catch the rising tide of demand, largely as a result of good planning and the broadly-based industrial sector operating

Nottingham City Council has itself taken the lead in com-mercial property development and set up, through its Indus-trial and Commercial Property Unit, a property register which provides information on all commercial property available in the city's area.

According to a survey carried out earlier this year by the London chartered surveyors Debenham Tewson, Chinnocks, rents in Nottingham were similar to those in Coventry and Leicester, but behind those of Birmingham and Northamp-

The study suggested that in March this year rents in Birraneham and Northampton for a typical 24,000 sq ft light and warehousing operations of industrial/warehouse development would range from £1.50
It is possible that the strong £1.70. while in the other cities they would be between £1.35 and £1.50.

The accompanying table indicates that the minimum rent necessary in Birmingham and Northampton for profitability with building costs of £12 a sq ft would be \$1.82 and £1.87

strong bearing on property in respectively. Significantly, the the area, since we are attract-figure for Coventry, £1.94, was the highest of all, with Nottingham's at £1.85 and Leicester

the lowest at £1.80. Leicester has traded successfully on its many attractions such as its very central position for transport to any part of the country, its good rail, road and air links and its low cost of living, attracting warehousing demands from all parts of the country.

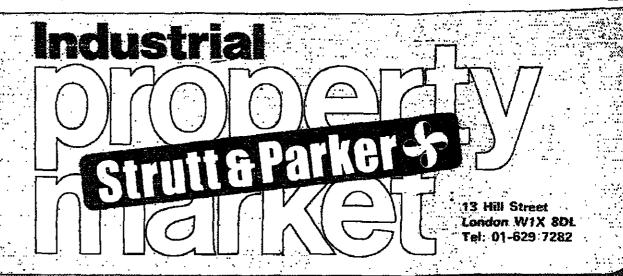
However, this has created something of an imbalance which has prompted the city council to encourage and itself undertake the development of more factory sites, which have been in strategic areas of the

This type of imbalance is not only experienced in the cities, but in the area as a whole, with perhaps too much development in the easily accessible major cities, at the expense of smaller conurbations where rents, though slightly improved, remain well below an economic level when related to building

One aspect of the whole equation which has not yet been fully examined is the likely effect of rising fuel costs on thetransport trend over recent years for the

centralisation of such operations, despite greater distances the goods may travel, may now diminish, and caution in the development of more warehousing may be a prudent step.

Lorne Barling



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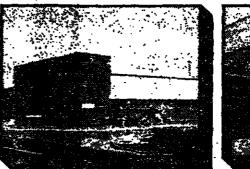
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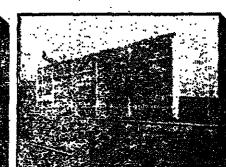
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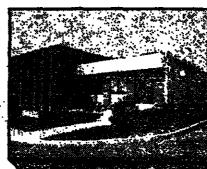
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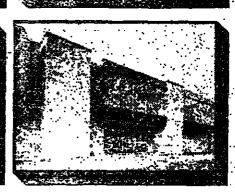












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#### NORTH-EAST

that the first Government-sponsored trading estate was set up in the mid-1930s—after the Jarrow hunger march—to pro-vide work for the depressed areas. Others followed but vider of space for manufacturing industry. It shares this distinction with Scotland and Wales, but in the rest of Eng-Today, that estate is both flourishing and at the same time land private industry occupies

heavy

the beadquarters of the English a much more important role. Industrial Estates Corporation. The reason is that the area (together with Scotland and the management arm for the Department of Industry's Wales) is one where the old advance factory building proindustries have traditionally gramme. As the mainline train ruled the roost—coal, steel, approaches the Type from the shipbuilding and south before crossing into New engineering. Now, however, castle the estate stands out im these are having to come to mediately as a monument to terms with modern industrial-what can be done to attract isation and there is an overcompanies into an area of old whelming need to attract a basic industry.

The North East is also unique broader base

GATESHEAD OCCUPIES

Gateshead was the first.

unique niche in the provision of land for industrial building. It

was here, in the Team Valley,

There was one attempt by a private company to undertake in another sense. It is the only part of England in which the development in the area but it foundered on the property overnment is the primary pro-

lar. But the group was caught county of Tyne and Wear. with extended liabilities elsewhere and crashed. As a result, the Government bought estates from the Receiver and has

One further qualification to the Government-only rule is nothing will take away the pre-that some private developers, dominance of the North East, such as Taylor Woodrow at The region's biggest prosuch as Taylor Woodrow at The region's biggest pro-Gateshead, do have some sites gramme of building was insti-which they will sell to industrated between 1976 and this the past 12 months for this type advance of needs.

The result of this absence of

Government initiative is that a less enthusiastic line but, nearly 80 per cent of all the even so, the building pro-Government factories in gramme up to 1981 should be England are in the northern region-which comprises the four counties of the North East (Cleveland, Co. Durham, Tyne

collapse of the early 1970s. The Lyon group was successfully together with Cumbria on the developing estates at South west coast. Further broken Shields and Long Benton, just down, the figures reveal that outside Newcastle in particular half the factories are in the one outside Newcastle, in particu- half the factories are in the one

This over-emphasis on a small part of England will decline slightly as the effects of an enlarged building programme elsewhere in the country are reflected in official figures but

trialists and build to order, but year, reflecting the importance the Government is the only the Labour Government placed major builder for rent and in on advance factories as a way of countering unemployment. There are naturally fears that private capital and resilience on the Conservatives will now take

assured. It is after that that the

assured. It is after that that the doubts apply.

Last year almost 100 factories were let, most of them in the 10,000 to 15,000 sq ft range. This year's programe is running at a slightly slower pace, but the eventual figure should be around 80. The Government has about 100 new advance factories and other units available. tories and other units available. representing about 1m sq ft of space, together with some

re-lets.
On top of this, there is the space available in the region's three new towns, Washington, Peterlee and Aycliffe. Washington, an attractive town and with the A1 (M) running through it, has built 4.45m sq ft of space since 1967 and has units up to 6,000 sq ft ready. In addition, it is building factories from as small as 600 sq. tories from as small as 600 sq ft for two- and three-man occu-pation. to 25,000 sq ft. Alto-gether it has 200,000 sq ft under Washington is also fortunate to have one large site, of 80 acres, available for develop-

One of the major problems of the North East is that there is a shortage of large sites available to attract the (admittedly few in number) internationally mobile plants, such as the Ford engine plant which went to South Wales.
Places like Sunderland are

desperately strapped for land and even along the Tyne it is not easy to get land for development near the shipyards where redundancies have been announced.

The reason why private in-dustry has shied away from

twofold: there has been in the past a long time lag between completion of building and letting; and rents are depressed compared with other parts of England.

So private developers have tended to concentrate on providing space for warehousing and a lot of this sort of deve-lopment has taken place in the North East. Bernard Thorpe's Newcastle office, for instance. comments that there has been

to create jobs, so that it leaves warehousing to the private sector even where this involves, as it sometimes does, considerable numbers of workers. And there is still land available for development for this purpose. Bernard Thorpe reports that on the Tyne Tunnel Trading Estate, between North Shields and Tynemouth, there are still So acres available out of a total

Elsewhere, on the Drum in-dustrial estate, at Birtley, south of Washington and convenient for the AI (M) there are SS acres and there are other, smaller, private developments at Teesside, just outside

investing in the North East is Durham and at Long Benton. Durham, in fact, has become something of a favourite with the food industry which has establishing been centres in the North East on rising scale. The vastly im-proved road communications

have been an important factor Newcastle has also had con siderable success with a prime site on seven acres within a mile of the city centre. Th Fenham Barracks industria estate, part of which has been allocated to the BBC for its north region studies, brought 's large number of applications The Government, consciously, has a policy of attracting manufacturing industry in order About 50 sought permission to

On prices, £1.70 a sq ft was obtained in Newcastle recently for a 5,300 sq ft property, Prices in the city, where the council has been very active in providing factory units, are probably a bit above the average for the

Other prices tend to be lower and Washington might be good indicator. Larger unit-there go for between £1 and £1.10 a sq ft and the smaller factories for £1.30 to £1.40 a sq ft-handsome prices by com-parison with those in much of the rest of England.

Anthony Moreton

## 17 new factory/warehouse units from 5,617 sq.ft. in Bristol's most central industrial location. Close rail and motorway links. Available from Spring 1980. Full details and brochure from Stanley 50 Mount Street, Landon W1Y 5RE Telephone 01-629 8501 Fristol SS1 1EG Felophone 9272-259151

## Activity at peak despite cost

The Tyne Tunnel Trading Estate. Private developers in the region have

tended ton concentrate on providing space for warehousing

ACTIVITY IN the industrial property sector in the North West is being sustained and in some favoured parts is running at a peak. This is in spite of sharply-rising costs of land and construction, the certainty of further hardening of rents, forthcoming change in regional aid policy, some less-than-encouraging economic forecasts and against the seeming paradox of a region with more than 200,000 unemployed,

It could be said that maintaining the improvement which began two years ago is especi-ally important to the future of a veteran industrial region like the North West still at grips with a legacy of old buildings, many not designed for their current use. Not so long ago it was estimated that in many towns well over 50 per cent — in some cases 75 per cent — of industrial property was pre-

Take-up of new space has kept ahead of the rate of construction and at present there are few fears of imminent over-supply. It is true nevertheless that much of the development has little in common with the large-scale manufacturing traditions of the North West. It is

or alternatively in small units by embryo companies. For example, the Manchester

office of agents Bernard Thorpe estimates that about 80 per cent, of the inquiries for an overall 6m sq ft of industrial accommodation received in the last six months-itself double the figure of the previous 12 months—has been for ware-housing. "A lot of this inquiry was from firms already in the region wanting modern space because of the age of their existing buildings," says

#### **Priorities**

The growth of the North West as a warehousing and distribution base, keyed to its work, has prompted at least one agent to argue for a change towards its economic contribu-tion, a view which once would have ranked as heresy in a region founded on labouriptensive manufacturing indusmanufacturing estate like Traf. rise in Manchester in a year. ford Park has a significant warehousing element.

sequence of government were let this year at £1.75 bu changes in regional aid have yet the next one will be at £1.90. to be shown.

being upgraded to Development at Intermediate grade for most motorway network, including of the remaining North West Rochdale, Salford and Stock will be windrawn.

incentive is better than none

or not developments should go ahead. But another claims a slight slowdown in inquiries following Sir Kelth Joseph's announcement.

Speculative development has been encouraged by the ratio of pre-lets. For example, King and Co. can report a full pre-let for a new development at Elles mere Port funded by Coal In dustry Nominees. A new scheme by EPIC at Trafford Park, currently under construction, has also been partly pre-let. Similarly, Richard Ellis can point to pre letting of half the first phase of 15,000 square feet of new units, due for completion early next year, again at Ellesmere Port, funded by the Post Office Staff Superannuation Fund.

Rents are continuing to move higher and the asking figure for a new development at Stock nounced recently at this level -is £2 per square foot. Row linson Constructions, among the most active of industrial developers in the North West one agent to argue for a change expects rents to go on to pass of priorities and attitudes the £2 mark. Over the last 12 months they have increased by about 10 to 121 per cent in the Greater Manchester area. although the trend has been more stable on Merseyside. Healey try. Today even an archetypal and Baker claims an 18 per cent

Rowlinson illustrates the point with its inner city development, in partnership with The practical implications for Manchester City Council, on the new building for manufacturing former abhatoir site, now industry in the North West, a known as Manchester Industrial wholly-assisted region, in con-sequence of government were let this year at £1.75 but

There is active institutional By keeping its top-ranking interest in industrial investment Special Development status in the North West, particularly Mersevside can expect to bene- in Greater Manchester. Elsefit. if not immediately. The where in the county there has Wigan area should gain from been a high level of take-up been a high level of take-up over the last year or two in Area status, but assisted cover towns directly linked to the port and further developments It can be argued that any are in the pipeline.

Incentive is better than none Most demand is within the

but at least one property man nursery unit to 10,000 sq ft takes the view that it will have range, a pattern which has takes the view that it was amounted to operate against the little effect on new development because it has not been availability of significantly ment because it has not been availability of significantly large off-the-peg factories. high on the list of prioritles large off-the-peg factories, shaping decisions on whether In a new phase of develop-

CONTINUED ON NEXT PAGE



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## Threatened closures bring pessimism

THOSE WHO at the beginning of the year looked forward to the political mists clearing in Scotland must now be only par-tially satisfied. True, devolution, which was thought by many to be a strong deterrent to in-dustrial development, is now effectively dead and the general election led to a return of a Conservative Government and the near collapse of the Scottish

National Party. But the uncertainties are far from ended. The general economic outlook is not good anywhere in the UK, but north of the border there are special factors which have made pros-pects particularly gloomy. Shipbuilding closures are imminent, meaning a severe blow to a wide range of subcontracting industries, and engineering is going through a difficult phase because of the strength of sterling, the se in costs and this summer's industrial action.

Scottish commentators expected a downturn in capital investment — with all that implies for demand for factory space—to occur at the end of this year or the beginning of 1980. But the disheartening results of the latest trends suryey by the Confederation of British industry's Glasgow office indicated that many companies are already thinking of cutting back on expenditure

The survey, published at the beginning of August, showed that only 17 per cent of companies canvassed expected to increase their spending on buildings in the next year. In April, when the last questionnaire was sent out, the figure had been 27 per cent

These are intentions rather than deeds, of course, and it the best ways they could do takes time for a company to pull back from a capital invest-ment commitment it has already made. So it is hardly surprising that agents and developers have not yet seen any drastic drop in the number of inquiries for industrial premises. But with the CHE survey showing pessimism over a broad front export as well as domestic markets it can be only a matter of time before this situation changes,

But, if the economy is bad, there are additional factors which cloud the glass and make predictions difficult. Chief among them is the effect which the Government's review of its industrial support for the regions will have on the demand

for space. The last Government began the change in regional policy when it abolished the regional employment premium—effectively a payroll subsidy to every manufacturing company in Scotland—and changed the status of some areas of the country. Dundee was elevated from

development area status to special development area, mean-ing that the level of grant available to compenies wanting to invest in new buildings or in plant - and machinery was increased from 20 to 22 per cent. Aberdeen, the area to benefit most from oil-related activity, was downgraded from development to intermediate area. While this meant that area. While this meent that no great was any longer avail-able for plant and machinery, the 20 per cent on buildings was retained.

However, the new Government's changes have been more ferroaching. Grants to special development areas remain unchanged, but the 20 per cent available in development areas is to be sent to 15 and the grant. is to be cut to 15 and the grant on buildings in intermediate to be abolished

elitizather.

In addition, the status of many areas of the country has been altered. It remains to be seen how this will affect the industrial property market, but my guess is that it will depress the overall demand and make several areas which were particularly popular, such as Edinburgh and Aberdeen, less

But there is an added compliention. The changes are to be placed over the next three years, so we could see some congenies bringing forward

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### **SCOTLAND**

advantage of the grants. A short-term boom, however, is not very likely—there are not many companies with adequate liquidity to finance premature. expansion from their own funds and the high cost of borrowing will act as a deterrent for the

#### Initiate

As a slight counter to this, the Government has initiated some moves which should give a filip to the market. First, the Community Land Act is now dead in all but name, so new space for development should become available soon and, second, the Ministers are looking in detail at establishing "enterprise areas" in districts hard hit by industrial closure.

Scotland has already had a taste of what these might be like in the Glasgow East End Renewal Scheme and the similar project at Glengarnock. Others are proposed for Dundee and Clydeside. A concerted effort to make

vhole areas more attractive has paid off in attracting small companies, but the scope for participation by developers alongside Scottish Development Agency and the local authorities has so far been small. It is likely that the Conservatives will want to increase private sector involvement and one of this would be to speed up planning procedures. Nothing dampens developers' enthusiasm more than the prospect of paying interest on

the action areas already designated and are becoming so in agencies have another 500,000 the country as a whole it is not so ft and the Edinburgh agent's only new and small businesses Kenneth Ryden and Partners which want them; national companies are tending to prefer 1.5m sq ft or more in private smaller, more manageable units developments. which can be abandoned easily if the market worsens or

move back to sub-contracting ber of new properties will come among larger Scottish on the market in the next few which

Park, a joint Rowlinson-Greater Manchester Council

venture, a deliberate attempt

is to be made to go after the bigger tenant with the offer of units in the 20,000-50,000 sq ft

Development Corporation has

more than 1m sq ft of new space

under construction or about to start. An early announcement is expected about more high tech-nology multi-nationals taking space in its Birchwood Science

Park. With a record of success in

attracting international invest-

ment, Warrington expects a third of the 1.500 new jobs targeted for the current financial year to be produced by incoming North American-based com-

The story from Runcorn New Town is one of industrial development at a peak, with more construction activity than

at any time previously. Projects here include an eighth phase extension to the YKK zip fastener complex, a new develop-

expansion by the vehicle com-

Elsewhere, there is now ex-

The equivalent of over £100,000

ponent manufacturers, Bosal.

Competition

At present Warrington



The Clifton Trading Estate, Newbridge, on the western outskirts of Edinburgh. About 34,000 square feet are on offer here, through Debenham Tewson and Chinnocks

a large amount of space availland costing upwards of able in many areas of Scotland £60,000 an acre while officials and a number of new developable in many areas of Scotland and committees take months to ments nearing completion. The churn through planning Scottish Development Agency is currently holding about 2m sq Small units—5,000 sq ft and ft, and has a mixture of new les—are extremely popular in and old properties. The new the action areas already design towns and other Government

Rents in most areas have been rising slowly over the past swapped for bigger premises if few months in response to rising ales rise. building costs. In Edinburgh There also appears to be a and the Lothians, where a numon the market in the next few will months, rents of £1.75 per

small site close to the Manches ter-Salford boundary.

In some smaller towns in the

north-west development land has

been changing hands at £40,000-£60,000 an acre but in an area

have become more cautious in

develop.

Local authorities in a region

such as the north-west no longer see a need to justify interven-tion in industrial development

as part of a wider civic com

mitment to promoting the local

economy. Even if the degree of involvement varies from the

ambitious to the basic, there can

now be few town or county halls where industrial development

has not been upgraded to a high place in the priority list.

Liverpool in particular has

set the pace in inner city de-

velopment of advance units and can claim a successful take-

up, as can Manchester. While

the civic intervention may be explained as "pump priming" it is clear that many small sites

being brought into service, largely for nursery units, would

reluctance of financial institu-

tions to accept the risks and higher administrative costs in

deciding where they

Peak activity

ment at Wingates Industrial an acre has been achieved for a

range.

New towns in the North West continue to set the development pace, none more than Warrington. At present Warrington.

tener complex, a new develop-ment by British Gypsum and a £10m plant by a subsidiary of American Can. Schreiber Indus-tries has started kitchen furni-tries has started kitchen furni-

tries has started kitchen tunits. available for letting ture production in a factory of units. available for letting except in obsolete buildings. 450,000 sq ft development at Six companies have taken units

450,000 sq ft.

Industrial development at Industrial development at Runcorn is now approaching 400 in the first two phases and concers, with almost 3m sq ft of struction has now started on the third phase in a bid to attract

acres, with almost one squared struction has now started on the accommodation completed and a third phase in a bid to attract new industry and meet a press-struction, mostly financed from private sources. New developments in central Lancashire New ments in central New ments in cen

ments in central Lancashire New Salford, not alone, points out Town include a 100,000 sq ft that its initiative "reflects the

tremely keen competition for prime sites and agents Richard places. The third phase, of 13,600 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft, is currently being offered in units from 1,690 sq ft at a starting rent of £1.50 per sq ft, rising to £1.85 after the third year.

CONTINUED FROM PREVIOUS PAGE

encourage the demand for small square foot are common. Glasgow commands a little less in On the supply side, there is all but the best situated estates, while Aberdeen remains the most expensive town in Scotland with asking rents of £2 and the within more

boundaries.

Rents in rural areas vary according to the location of estates and how good their communications are, but it is still possible in Scotland to find accommodation at less than £1

Ray Perman

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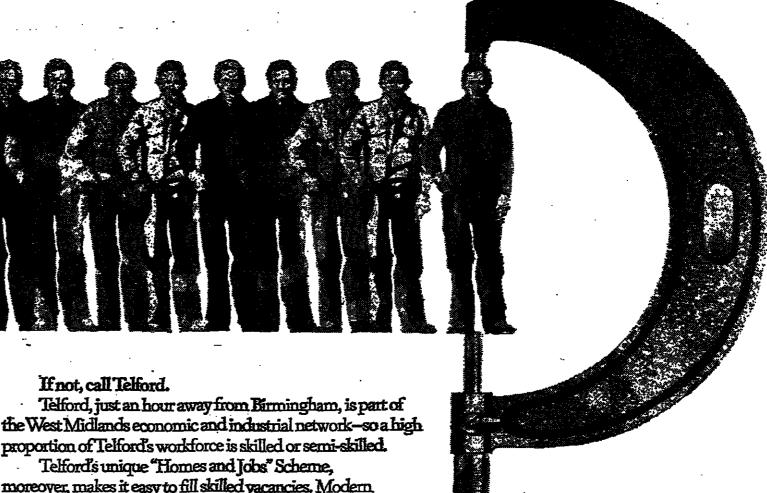
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## Market has revived despite problems

A COMMONLY-HELD fallacy is that Northern Ireland has an abundance of empty advance factories just waiting to be brought to life by the roar of

And while there may have been some justification for that assumption a few years ago, the upsurge in investment during the past 18 months has had a fairly dramatic effect. Only 20 advance factories are now available for immediate occupation compared with a figure of 50 this time last year.

With readily-available factory space a powerful weapon in the armoury of the negotiators faced with the task of attracting new investors to the pro-vince, it is a situation which, conceivably, could cause diffi-

culties in the future. Officials of the Department of Commerce. which is almost entirely responsible for industrial property development, admit that of the 20 factories a significant number are smaller units which could not readily accommodate any large-scale

They believe that the advance factory development programme which began in the 1950s and which has produced more than factories incorporating 1.9m square metres has more than proved its worth.

#### Risk

Such speculative building always involves a high degree of risk and the difficulty in letting factories in such trouble spots as West Belfast, Newry and Strabane cannot be over-

Nevertheless, the Department is committed to a building programme is these unemployment blackspots so that when a factory is let it is not simply a case of heaving a sigh of relief but of getting on with the job of building another in case another company wishes to move into the

Under construction at the moment are a 2,300 square metre factory at Kennedy Way in West Belfast and a 1,500 square metre building in Strabaue. The heaviest demand is for properties of 20,000 to 55,000 square feet and, as a result there are very few such factories available for immediate occupation.

in the 180,000 square feet range scratch. but within easy reach of the The in

#### NORTHERN IRELAND

skirts of cities.

former era.

outskirts of Belfast. The property was once located, now economics of splitting them into attracts little factory developmore manageable units rule out this possibility. ment, mainly because of popula-

The industrial property mar-ket has undoubtedly revived, due in no small measure to recent investment by American companies such as Delorean. However, rents which

heavily subsidised by Government remain lower than anywhere else in the UK; rents in prime areas of England can be double those in Ulster.

Rents in most parts of Belfast (the exception being West Belfast) range from 24p per sq ft to 60p per sq ft, depending on size and location, while rents in rural areas and outside the are proportionately capital

With little or no private development in the industrial property market apart from the building of warehouses, the Department of Commerce's role will continue to be crucial to the future of the Northern Ireland economy.

cuts in public expenditure have ment of Commerce's future Labour before it, places on ticular. future employment prospects in

attract would-be investors.

The province has a number of purpose-built factories but problem here has been the adapting them in the event of the company they were confor vacating the premises.

Refurbishment of older factories has also been part of the industrial development process in the past but in recent years owing to escalating building costs this method of providing more factory space has become less viable. It is now Harder to let are larger units less expensive to begin from

The inner city areas of Belfast docks by motorway, like a for- and Londonderry, where most mer Courtaulds factory on the of the province's industrial

months or even weeks so the building. advance factory programme continues to be vital. Only last month, Mr. Giles

Shaw, Industry Minister, handed over the keys of a 30,000 sq ft factory on the Maydown estate outside Londonderry to the National Supply Company of Houston in Texas. The com-pany, part of the giant Armco tion movement away from these areas. Most new industrial estates are now built on the out-Group and one of the world's largest manufacturers of oilfield Plans to revitalise inner Bel-machinery and equipment, fast announced so optimistically eventually will employ 500 in a few years ago have failed to an area where jobs are difficult

make any real impact, with the to get. Although government developbuilding of several shopping ment programmes are also subject to some extent to planning centres the only evidence so far of a rejuvenation of a party of the city that is a reminder of a authority approval there have ormer era. been few difficulties in that
Many companies considering area with most development taking place in regions specificinvesting in the province are

soaring property result. Despite tutions are willing to invest in per sq ft to £1.75 per sq ft in values few companies or institent simply to rent factories of £1.50 per sq ft have been involvement in this form of defrom the Department on a 21year lease, confident that they will not be faced with huge increases at the end of that

On the other hand the warehouse market has attracted a to build warehouses was not much greater degree of private there but it is almost certain much greater degree of private investment and several large that in the near future rising building contractors are rents will easily offset building currently engaged in construc- costs and encourage more detion work to meet the demand. velopers."

Warehouse space is at a

keen to begin production within ally set aside for industrial taken off in the past 12 months quirements of warehousing.

"Rentals range from £1.50 some parts of Belfast and rents

per sq ft. "Until recently the incentive

A large part of the province's premium in Belfast, particularly around the docks area. Mr. Ken in the old linen mills which were Crothers of the Belfast estate once the backbone of the agents Morton Commercial, province's economy. The mills The market has really are easily adapted to the re-

trade in Ulster has been expand. They ing, providing an increasingly large demand for storage space.

velopment is limited and is con- years. bombed by terrorists. It has erected warehouses at

Financial Times Friday September

bane, but 500,000 sq ft of space availability of factory space, on the outskirts of Lisburn has all been let, another sign of the ever-growing demand in and around Belfast.

Before the current troubles began in 1969 developers from England and Scotland were planning large-scale warehouse building but their interest evaporated largely because of

the problems of obtaining insur-The retailing and distributive ance to cover bomb damage.

The retailing and distributive ance to cover bomb damage.

Tride in Histor has been expandwith the slow process of claiming compensation through the The Department of Commerce's Northern Ireland Office which can take between two and three

miles from the city. Two or fined mainly to catering for . The generous financial incentive years ago those rents emergency situations such as tives offered to companies will-ing to set up in Northern Irewood have been around 70p where a building has been land to set up in Northern Ire-The generous financial incenfor key workers, and rates reductions) combined with the make the province an attractive proposition despite the continuing violence. The signs are that more and more industrialists, especially in the United States, are recognising this.

> Chris Kelly Property Correspondent Belfast Telegrapi

## Boom brings steep rent rises

INDUSTRIAL PROPERTY in Ireland has undergone some-The recent announcement of thing of a boom in the past two years, both in terms of lettings and new buildings. De-

led to a review of spending by lettings and new buildings. De-practically all Government mand has been strong and departments. But the Depart- rents have risen quite steeply. of the strong economic upsurge building plans are not affected of the strong economic upsurge:

—a sign of the emphasis the in general and the increase in Conservative Government, like manufacturing industry in par-

Ireland has had one of the the province.

Undeveloped land, however, western Europe in the past two may be sold off but it is years. Although there has been stressed that this will not a considerable slowdown this jeopardise the all-important year, mainly because of the oil task of building factories to crisis, the economy should still grow by about 4 per cent in real terms, which would put Ireland near the top of the West European growth league again. In 1978 the growth rate was 6.5 per cent.

Almost all new manufacturing industry comes into Ireland under the auspices of the Industrial Development Authority (IDA). This semi-state body is empowered to offer a package of incentives to companies wishing to set up in Ireland as long as they create jobs through manufacturing. The IDA does not, for example, assist transport companies or other service sector industries in the same way, although it helps.

IRELAND

This growth is a reflection wants are labour-intensive concerns involved in assembly. They would usually be groups interested in exporting. Ireland has a population of only 3.5m, there is not much of a domestic market. However, the country is a member of the EEC, so a U.S. or Japanese concern setting up in Ireland has access to the enormous market in Europe, free of the usual tariff and other customs barriers.

grants of up to 50 per cent of property there is also growing capital costs in the poorer areas fast. in the west of Ireland, or 40 per cent in the east. There can be training grants and tax writeoffs on research and development costs. The IDA at the moment has a total tax holiday on all exports. In 1981 this will change and a 10 per cent corporation tax will come into effect.

give assistance to a company wishing to build its own factory, either in cash or cheap land.

The IDA has a number of industrial estates which it encourages companies to use. Because most new companies are interested in exporting, they want usually to be near a port or an airport and often but not always near a town, where communications are good.

The most popular areas are Dublin, and then the Shannon-Limerick complex. The IDA has two industrial estates in the Shannon area, and there is an estate in the Shannon Free airport zone. Shannon has Ire-Training

To companies that the IDA wishes to attract it can offer up industrialists and industrial

> There are no precise figures on the exact size or numbers of industrial properties in Ireland. Most industrial property is sold in units of between 4,000 sq ft 4,000 sq ft are rarely found on the normal commercial market, and units of 40,000 are not common.

However, the Rohan group property development group Usually the companies Ireland factories. Assistance can take has property on the market argued that the figures in Naas Road, south of Dublin.

units. Rohan is one of the biggest industrial builders in

the country. The IDA probably brings in about 100 companies a year one for mid-1979 at £2.15. By way or another. But new manufacturing industry is, of course, just one area of demand for

industrial property. The economy has been firing strongly on most cylinders these past two years and prices have risen. The table below was in Dublin's Business and Finance magazine in July, 1979. The analysis was from a limited sample of industrial properties in the Dublin region.

Irish Industrial Rents

1973 ..... £1.10 a sq ft 1974 ..... £1.15 ..... £1.25 1975 ..... £1.30 1976 ..... £1.40 1977 ..... £1.50 1978 ..... £1.90

In the figure for 1979 it should be noted that there was and 20,000 sq ft. Units of under a sharp jump in the general price index in this year, something like 12 to 15 per cent. However, one representative

area the figure for mid-1976 was probably about £1.35 a sq ft. He would put the figure Christmas this year the figure could be £2.25 to £2.30 a sq. ft.

This, however, could be the peak. When the recession of 1974-75 came a lot of concerns involved in Irish industrial development had been British builders, who with the secondary banking crisis had to sell of properties inforced sales. The market remained bad in 1976 and agents had trouble

Interested As the economy picked up and

the market improved, a new factor was the institutions became more interested than hitherto in industrial property development. It began to seem less of a risk venture, as the new Irish government concentrated, through the IDA on developing manufacturing ìpdustry. Irish Life, a large (state con-

an industrial property in the

the form of subsidised rents on near the airport that is being Business and Finance are And pension funds, now that factories, which a company can sold in units of 40,000 sq ft but lower than his own experience is divisible into 20,000 sq ft suggests.

The subsidised rents on near the airport that is being Business and Finance are And pension funds, now that the first funds over the first funds of the subsidised rents on near the airport that is being Business and Finance are they must invest more in Irelation funds, now that the first funds over the first funds over the first funds over the first funds over the funds over the first funds over the funds over Irish pound from sterling last April, are also looking at industrial properties.

The current boom, so speak, is therefore more firmly underpinned than when the last recession hit in 1974-75.

However, there seems little doubt that the market will slow down in the next six months and prices will probably slide. The economy is not growing

as fast as it was, and costs in the building sector are rising steeply. Many raw materials are imported from Britain, and the appreciation of the British pound against the Irish one have made them more expensive.

More than this Ireland is now in the throes of a ferocious credit squeeze. Funds that used to be available from Britain no longer are so, and there is a relative shortage of Irish pounds Interest rates will probably be sky high by March of next year, and building will become costly. The likelihood therefore is that the boom in However, one representative trolled) assurance company is developments and rentals is now of a prominent industrial involved in the development of at its peak.

Stewart Dalby



Weatherall Green & Smith

22 Chancery Lane, London WC2. Tel: 01-405 6944. **CHARTERED SURVEYORS & ESTATE AGENTS** London Leeds Wakefield Paris Frankfurt and Munich

## The military becomes impatient

ON WEDNESDAY afternoon Mr. Mrs. Thatcher has been to

as a whole accept that there is a crisis of enormous proportions. But one can try and put it this way: the situation is now peri-

they regain control quickly, there is a danger that the Protestant extremists will take matters into their own hands and go for the PIRA directly, leaving the security forces in the middle. PIRA itself is becoming steadily more effective to the point where it is no longer inconceivable that it could attempt to shoot down British aircraft landing at Belfast airport. That is one of the nightmares of the security forces. There is no particular reason to believe that the Pro-testants could not organise themselves into an equally effective fighting body to attack the PIRA.

At the same time, there is increasing evidence that the security forces are quarrelling among themselves. Arguments those arrested in the Mountabout the respective roles of the batten case. The Royal Ulster army and the police are coming Constabulary had advised the to a head. There is an impression of drift and there are calls should be watched, but nothing for leadership which are going was done until after the event.

The Government's policy to-canvassed. One is simply that wards Northern Ireland has the Garda should become as been in the melting pot since the assassination of Lord it would have to adopt all Mountbatten and the killing of modern methods of surveillance 18 British soldiers last month. rather than, as it is unkindly

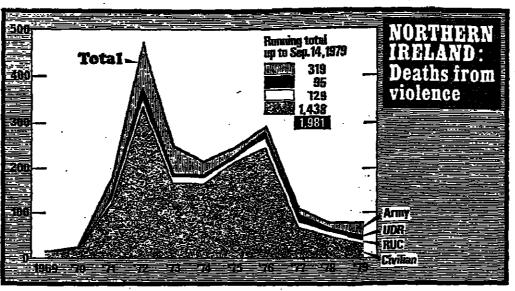
Edward Jours, the assistant Ulster and heard the views of governor of the Crumlin Road the army and the police at first Prison, was shot dead in his car hand. She has also talked at as he drew up at a traffic light length to Mr. Jack Lynch, the in Belfast. Such is the frequency Prime Minister of the Irish Re-of such incidents that his death public. Practically anyone who received only passing notice in has views on the subject—army, the British Press. There was police and civilian—and who is little more to say, except to in a position to put them has record it. It happens all the time. been doing so. It seems un-Indeed it is hard to know what likely, however, that anything has to happen in Northern Ire. will emerge in the way of a land to make the British people change in policy until after a meeting between Mr. Humphrey Atkins, the Northern Ireland Secretary, and Mr. Michael O'Kennedy, the Irish Foreign lously close to civil war.

The security forces have faltered in their long battle to contain the Provisional IRA.

Unles they regain control It also seems clear that the

Atkins-O'Kennedy meeting will concentrate on security questions, as did the earlier meeting between Mrs. Thatcher and Mr. Lynch. In particular, the British side is waiting to hear how far the Irish authorities can and will go towards improving security in the Republic The bulk of the PFA Republic. The bulk of the PIZA leadership is now based in Ulster, but it relies on the south for supplies. It is felt that it will be much harder for the PIRA to operate if those supplies can be cut off, or at least curtailed. It is also felt that the Irish police have been unduly lax in the past about their surveillance of suspects. The example is cited of one of

Various ideas are now being canvassed. One is simply that efficient as the RUC. To do this



put, relying on the man on the bicycle who makes a check on and of a reciprocal arrangement suspects once a week. If the Lrish do not want to learn this from the British, it is suggested that they could save their pride by going to the West Germans. who would certainly be an a position to help.

### Limited rights

The army is also talking about limited rights to overfly the Republic. This would involve the use of helicopters on both sides of the border. Their crews would keep track of anyone fleeing to the south and inform the Irish authorities. Equally the Irish would be expected to inform the army when suspects were moving north. All that is regarded as more realistic than the right of hot pursuit, which could lead to accidents.

under which the Garda could interrogate detainees in the north. Not surprisingly, there tion and for selective intern-ment—in the south as well as the north, although it seems pretty clear at the moment that Mr. Atkins at least regards internment as unwise on the grounds that you can never be certain of getting the right people. This is not the only area where Mr. Atkins' views appear to differ from those of the army. He remains distinctly dovish.

south to interrogate suspects

There is one telling reason which should persuade the Irish Government to do more than it has ever done before in the way of security co-operation. It that it has become clear that the PIRA is no longer, if it ever was, a group of Irish romantics. It is a revolutionary There is further talk of the movement aimed quite as much RUC being encouraged to move at the government in Dublin as

at British rule in Ulster. Indeed the threat to Dublin is probably greater. It is likely, for instance, that Irish violence in mainland Britain could always be contained; that cannot be said of the Republic. It is also the case that the Irish authorities feel that their reputation has been severely damaged by the Mountbatten assassination. The question remains, how-

ever, of how much the Irish can turns out to be a great deal, the new policy of co-operation will still take time to put into going to be transformed and reequipped overnight, and the lesson of the past few years has been that as soon as one side in the conflict becomes more efficient, the other begins to follow suit. That is the pattern of escalation.

Meanwhile British seems to be to wait for the if that goes badly will the

U.K.: Zimabwe-Rhodesia con-

GENERAL

Irish. Nor is it clear what the deliver the goods.

the Government is placing a great deal of faith on a change of attitude in the Republic. Even if this turns out to be Even if this turns out to be justified, there will still be problems. There is the question, for example, of "who does what?" between the army and the police. The RUC tends to feel 'that the doctrine of "police primacy," established in 1976 and giving a greater role to the police, is under challenge. The army believes that there The army believes that there are too many policemen with guns, fighting battles that ought to be left to the military. At the same time, the army is tied up guarding targets, such as the main shopping area in Belfast, that could be better handed over to the police. The army would also like authority to undertaken more covert operations.

Above all, there is a feeling that no-one is in control. Liaison between the police, the army and will deliver. Even if it and the civil power is said to be lacking at the highest level. It is recognised that Mr. Atkins, as a member of the Cabinet and effect. The Irish police are not a Member of Parliament, cannot always be in Ulster, but he is criticised for his absences The army is thus canvassing

the idea of the appointment of a supremo or plenipotentiary who would have full charge of security matters. He would be there all the time, and able to take immediate decisions. He would not, it is said, need to be Atkins-O'Kennedy meeting. Only a military man, though this is, that there is one area where if that goes hadly will the one suspects, an example of the Mr. Atkins has scarcely even

same time as an announcement so the army says, that the years, that he believes that of greater co-operation with the nearest analogy to the task of security is paramount. the British forces in Uister is alternative measures would be Cyprus and EOKA in the 1950s. if the Irish were in fail to The idea does not seem to be making much headway in politi-

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It can be seen merefore that cal quarters. It would be wrong to say that Mr. Atkins is unaware of these Secretary of State, was that he problems. He is trying not to did well enough on the first panic and to avoid being pushed two, but failed lamentably on into actions—such as intern the third. The situation now is ment—for the sake of a show of such that security must receive strength that may lead to new the greatest emphasis. For with-problems later. He does not out security there is almost noalways accept intelligence thing that can be done about reports at face value. He would the economy and very little argue, for instance, that the possibility that the PIRA may have believes that the holding of weapons capable of firing at local elections in Ulster will British aircraft does not neces- persuade the Provos to lay down sarily mean that they will use their arms is living in dreamthem. On the contrary, as the land, although it might do accompanying graph shows, all something to impress outside the recent evidence suggests that the PIRA is going for security rather than civil targets. The about presentation. If the above army, as always, stresses capa- analysis is correct and the army, as always, stresses capa-bility rather than intentions.

Initiative ,

As well as showing restraint on the security front, Mr. Atkins is pursuing a political initiative. The sentence in the Conserva-tive Manifesto about establish-"one or more elected regional councils with a wide range of powers over local services" has not been forgotten, and it could be that there will be limited progress here within the next few weeks. If that happens, and security does not get out of hand in the meantime, the Secretary of State may yet be vindicated.

It seems to me, however,

Government consider alterna- army trying not to overstate its begun to make a mark. He has tive measures. There appears case. An obvious candidate for failed to persuade either the to be no question at present of the job would be Lord Carver, security forces or the people of Britain introducing a new the former Chief of Staff. He Northern Ireland, who seem security policy of its own at the would need to understand, or more nervous than for many

> In the past Northern Ireland policy has always been considered to have three prongs: security, the economy and the politics. The main criticism of Mr. Roy Mason, the previous opinion.

Protestant backlash could be about to begin at any time, it ought to be explained in public. There are already enough people who should know better who insist that the problem of Northern Ireland is simply one of getting the Protestants to be nicer to the Catholics and bringing the political parties together. Playing down the security issue is one way of encouraging that belief, which has built up alarmingly abroad The problem in Ulster at

present is not political; it is one of preventing civil war. Since the security forces may yet have to take some very unpleasant action, it would be as well for public opinion to be prepared.

Malcolm Rutherford Jourdan. Interim figures only:

#### Letters to the Editor

Fear of the chip

From Dr. John Walker, Mr. Ben Clay and Mr. Allan Kennedy
Sir.—It is unfortunate that the recruiting drive launched by ASTMS should play on people's worst fears about the "silicon because their advertisement (September 18) contains some important points. It is true that education must become part of our mature years (it already is for some of us, both From the Managing Director, personally and professionally). Hygate Gears It is true that we will have more leisure, and that we must plan for it collectively. It is true that that engineers are undervalued world. However, it is not true that

the chip will replace old skills without creating new skills. Indeed, a chip on its own is as useless for processing data as a cap of petrol is for driving to the shops. A great usual or peripheral equipment needs to ing Union (CSEU) are arguing be designed to accept digital the toss, among other things, be designed to accept digital the toss, among other things, over whether the National over whether the National Pata should be £70 or data from the processor and to present this data to the outside world in an acceptable form: e.g., movement of a robotic arm. fl notes counted by an auto-

And it is not true that programmers' jobs are at riskare currently teaching new skills—particularly how to program microprocessors. Even so, the current UK shortage of programmers will get worse.

their UK staff, and lomos is going to set up a new factory. There are other examples, as

your excellent Lombard article (July 23) pointed out. Furthermore, if the UK does not use microprocessors, UK products will not sell, and unemployment will certainly ensue. Finally, scare-mongering about

new technological development comes ill from the Association of Scientific, Technical and Managerial Staffs — most of whose members' jobs would not exist but for past technological progress. John Walker, Ben Clay, Allan

Bleasdale Computer Systems, 7. Church Path. Merton Park, SW19.

How many hours?

From Mr. D. Colin Jones

Sir,—Contrary to the hopes of 1973 trade union members, the con- 1974 tept of one rule for the workers 1975 and another rule for the bosses 1976 ..... thent dealing with the silicon this placed in today's Financial Times by ASTMS confirms this. It states that "even now we are wedded to the old notion of .48 hours a week." However, the invitation to telephone ASTMS for further information asyms for further information advises that "Real people will answer from 10 to 5—after that its the chip again." Only on the extremely unlikely assumption that the same person is present to answer the telephone from 10 to 5 on seven days a week is anything like a 48-hour week reached. Much more likely is a five-day week with an hour for lunch—totalling a From P. J. Hewitt an hour for lunch—totalling a From P. J. Hewitt very meagre 30 hours, for a 10

office-what do the 48 hours and helpful and wonders what fact, it would not be more senper week union worker members has happened to the service. think? A final thought: Perhaps The

Chip is already in charge of ASTMS. D. Colin Jones. 33, Foxleys, Carpenders Park, Watford.

Undervalued

engineers

Sir.—I read with interest Mr. Wood's letter on September 18 post office profits. the chip is an opportunity to re- and under rewarded. Not only but I also think that until the position is corected, this country cannto succeed in engineering. It grieves me that after seven

weeks of strikes, the Engineering Limployers Federation (EEF) and the Confederation of Shipbuilding and Engineer-Minimum Rate should be £70 or £80. It seems to me, that for the good of the Engineering Industry, both parties should together have realised and agreed that the likely solution to this present conflict is not quite the contrary. We at going to materially improve the Bleasdale Computer Systems lot of the engineer and it is not going to attract any more recruits to what is already an

ailing industry.

This country needs engineers, and it is only by paying them a It is true that microprocessors will put people out of work—
they already have done. It is equally true that new jobs are being created—in the past two months, above. Waternal Serial CSEU, should be in agreemently, above. Waternal Serial CSEU, should be in agreemently, above. months alone National Semi-ment with this and they should conductor and Intel have now be seeking Government announced that they will expand support that the engineer is a ment with this and they should rare species and must be pro-Remember what happened to the Dodo. S. R. Quartiey.

> Accident statistics

From the Director of Statistics, Health and Safety Executive Sir.—Mr. A. G. Horsnail's figures for accidents and deaths at work, 1972-78 (letters, September 18) which he attributes to the Health and Safety Executive are not comparable from year to year; those he quotes for the last two years cover a much wider field than those for passing of the Home Secretary's earlier years. The best consistent series available are:—

reported Deaths accidents 000's 000's .1972 337 639 610 324 514 326 th our country. The advertise- 1975 (provisional) 551 327

"new entrants." accidents to unthinkable in this day and age. whom are not yet compulsarily reportable, and offshore installations. They tell a different mind. I am a banker, working story from those in Mr. Horsnail's letter. B. C. Brown.

I, Chepsion Place, W2.

Penny post

Sir,-Your correspondent Mr. Heymanson (September 19)

I agree with his comments on courtesy. In response to my numerous complaints, the Head Postmaster of Harrow has sent Milan 20122.

me the most friendly and apologetic replies but no reassurance. However, I am not sure that the post office officials really admit that anything is wrong. Delays must be caused by the application of new, secret rules.

bagged and lots are drawn to ture" of the BBC. determine which bags are to be sent on a mystery tour includ- no such proposal. The majority Furthermore, it would appear, the splitting of the BBC and that in order to keep the public believed that it should continue with them for a week or so.

Whatever the reasons for the delays are, it is clear that the Post Office no longer has the ability to honour its delivery promises. Is it not time to let some other organisation handle mail?

P. J. HEWITT. 7. Abbotsford Lodge, Easibury Avenue, Northwood, Middx.

**Immigration** policy From Mrs. Carol A. Linden.

the Thursday September 13 issue marry and whether they can live Which will not be met. in their own country if they hapthe political strength of his convictions and because these convictions would bring upon him the smear of racism, is indeed one of the most cowardly and disgusting political manoeuvres I have yet heard of.

passing of the Home Secretary's proposed law would be tantamount de facto to stripping me of my British citizenship and unilaterally exiling me from my home country. I find this totally unacceptable. Should I wish to take on the nationality of my hushand or of another country, or should I wish to emigrate permanently, then and then only, will I initiate proceedings to reach such ends. That a woman should be penalised because she These refer to the field now has met and fallen in love with covered by the Health and a foreigner, and a man not in Safety Commission, except the identical circumstances, is

Such attitudes in Britain also have other repercussions in my for a non-UK institution which has offices in the UK. One of the reasons for which I have always resisted returning to the UK (thus adding to the socalled "brain drain" — or does
some other sort of ball-game
that only apply to men?) is the
medieval attitude of British men

Can anyone explain to me towards women in general and towards women in business in particular. William Whitelaw's proposed legislation only serves 30, Holmes Crescent to confirm me in my "prejudice" Wokingham, Berksh

stitutional conference continues, That's what it's like at union finds postal officers courteous (?) and makes me wonder if, in sible to become a citizen of a more civilised country.

Carol A. Linden. 84 Corso di Porta Romana.

**Splitting** From Lord Annan.

Sir,-In his excellent review I suggest two possibilities.

The first is to force the public to use the telephone and telex services more and so improve demolished "the Annan proposal of service boards to The second is that mail is decentralise the power struc-

The Annan Committee made ing unplanned halts en-route, of the Committee were against guessing, some mail is sent to as a single Corporation under handling offices in the depths of the Director-General and his the countryside where the Board of Management. The friendly staff won't dream of proposal for service boards letting it go until it has been was made in the White Paper issued by the former Labour Government Noel Annan.

University of London, Senate House Malet Street, WC1

Looming

energy gap
From the City Architect and
Planning Officer, Cambridge
Sir,—Your leader of September 18 implies that the forecast increasing deficit between the UK's future energy needs and our own production will be satisfied with increases in im-Sir.—Having read Sue ported energy sources such as Cameron's Lombard column in oil and coal.

Our position is the same as of the Financial Times, I can that of other industrialised not remain silent. I find it countries, and if we add their absolutely preposterous that future deficits to our own and William Whitelaw can so to the increasing demands for blatantly discriminate against energy from developing nations over half the British population it appears that there is going in not allowing British women to be an increasing inter-the free choice of who they can national demand for energy

I do not think we are entitled pen to choose a foreign non-EEC to assume, as you appear to do husband. To sell his female constionals down the river so deficits will be increasingly to assume, as you appear to do blithely because he does not have satisfied by imports and neither is any other country entitled to do so either. We and they appear likely to face an energy deficient future which, in my view, requires urgent consideration. J. M. Milner.

The Guildhall, Cambridge.

It's not cricket From Mr. P. A. Oliver

Sir.—I wish I could under-stand the British people. If beer or cigarettes go up 2p they nearly go mad and yet the fact that next year we shall be outof-pocket to the tune of £1,000m+ to the EEC seems to be a matter about which the "man on the Clapham omnibus" cares not in the least. Once again John Cherrington

last Tuesday's Lombard Column has pointed out that there is only one ultimate sanction and that is the UK's withdrawal. We have joined a football club when we wanted to play "cricket." For five years we have tried to convince ourselves that we were playing "cricket," surely now at last-Can anyone explain to me why we keep on signing blank cheques?

Wokingham, Berkskire,

Lancaster House, London.

Mr. Adam Butler, Industry

Minister, meets Mr. Joel le man of Cadbury-Schweppes, inTheule, French Transport stalled as chancellor of Aston Ministries and the Central
University. Birmingham. of five unsold Concordes, and

further supersonic research. Liverpool University publishes report on decline of port of Steel Industry Management Association conference opens,

Harrogate, Local authorities joint conference continues, Scarborough, (until September 21).

Scottish Prison Officers Association conference continues, Perth (until September 21). Today's Events

Two-day antique arms fair opens, Royal Lancaster Hotel, Overseas: United Nations

General Assembly considers which delegation should represent Vietnam, New York. Mr. John Crosbie, Canadian

Finance Minister, meets Mr. George Colley, Irish Finance Minister, in Dublin. finister, in Dublin. tons Breweries, Laporte Indus-Department of Trade and Bank tries (Holdings), Liberty and Co.

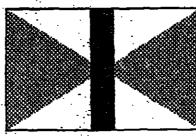
martial law. OFFICIAL STATISTICS Gross domestic (second quarter—provisional). New vehicle registrations for

August COMPANY RESULTS Interim dividends: Bodding-

COMPANY MEETINGS Electrocomponents, Eastern Hotel, Liverpool Street.

Bridgewater Estates

EC, 12. Hogg Robinson, The Baltic Exchange, 14-20 St. Mary Axe, Philippines celebrate seventh EC, 12.15. Jacksons Bourne End. Bourne End. Bucks., 11.45. Midanniversary of imposition of land Trust, Moor Green, Moseley, Birmingham, 3.30. Property Security Investment Trust, 13, St. Swithin's Lane, EC. 12.15. David Swithin's Lane, EC. 12.15. David S. Smith, Kingsley Hotel, Blooms-bury Way, WC, 12. Smith Whit-worth, Midway Hotel, Man-chester Road, Castelton, Rochdale, 11. Unitech, Great Eastern Hotel, Liverpool Street, EC, 12. Ward and Goldstone, Ediland Hotel Manchester, 12 of England officials start four G. W. Sparrow and Sons. Thomas Midland Hotel, Manchester, 12.



## Swire Pacific

Consolidated results for the six months ended 30th June 1979 and 1979 interim dividends Results The consolidated results of Swire Pacific Limited for

the six months ended 30th June 1979—unaudited—were:

· · · · ·		Six m ended 3	Year ended 31st December	
** * <del>**</del>		1979 HK\$m	1978 HK\$m	1978 HK\$m
Turnover	:	1,838.4 338.8	1.424.9 265.1	2,925.7 643.4
Profit before taxation Taxation		63.5	48.2	123.2
Profit after taxation Minority interests		275.3 97.7	216.9 91.2	520.2 195.9
Profit for the period	·	177.6	125.7	324.3

Earnings per share:

'A' shares	50.7 ¢	35.9c	92.6¢				
'B' shares	10.2 ¢	7.2¢	18.5¢				
<b>Prospects</b> The profit for the first half of 1979 was	Prospects The profit for the first half of 1979 was considerably better than that of the first half of 1978,						

which for reasons of timing was, however, at a low level relative to the whole of 1978. Although prospects for the second half of 1979 are reasonable, the directors foresee a slow-down in the rate of growth. Nevertheless they believe that the final dividends to be recommended for the year will be not less than double

Interim dividends The directors of Swire Pacific Limited have today declared interim dividends for 1979 of 17.0¢ per 'A' share and 3.4 c per 'B' share.

<del></del>	1979		1978	<u> </u>
Dividends per share:	Interim	Interim	Final	Total
'A' shares	17.0 ¢	12.0e	33.0€	45.0c
'B' shares	3.4 ¢	2.46	6.6c	9.0€

The Interim dividends will be paid on 11th October 1979 to shareholders on the registers at the close of business on 27th September 1979; the share registers will be closed from 27th September 1979 to 11th October 1979, both dates inclusive.

A full interim report is being sent to all shareholders.

By Order of the Board John Swire & Sons (H.K.) Limited

Hong Kong, 13th September 1979.

Swire Pacific Limited The Swire Group Swire House, Hong Kong.

Companies and Markets

WITH significantly better results £824m the UK side produced from automotive component profits ahead from £30m to £36m. operations and some recovery in the UK steel distribution sector, first half 1979 pre-tax profits of Guest Keen and Nettlefolds advanced from £42m to £53.5m.

However, the engineers discontinued strength of the transmits in the continued strength of the continued strength of the transmits in the continued strength of the continued strength pute is having a major disruptive against £200m were translated effect on the group's UK operations and the directors warn that £20n

third quarter profits are being severely affected. At this stage they say that it is not possible to assess either the ultimate cost of the dispute or the effect on UK profits for

the 1979 accounts will include termination costs on discontinued activities, principally GKN Bolts

This includes some £7m in respect of the difference between the book value of John Lysaght Australia)—reduced by £31m, being the amount of post acquisition reserves arising from the revaluations of fixed assets—and the estimated sale proceeds. The directors explain that the result from the automotive component operations (where the trading surplus was up £26m to £30m) came about from supplying generally strong world mar-kets from the major plants in the UK and Europe. In the distribution sector there was some recovery in the UK steel stock-solding activities, and the rsult (ahead from £5m to £9m) also includes Parts Industries Corporation of the U.S. acquired at the heginning of the year.

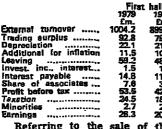
The markets for general steels, building and construction and other activities continued to lack buoyancy. The directors say that such improvements that were achieved in these areas were not so much attributable to growth demand as to earlier actions taken to reduce costs and eliminate or improve upprofitable activities. These actions continue to be taken throughout the

group.
After recovering well from industrial troubles early in the year UK activities showed some the rate of profitability remained into profits ahead from £15m to

The half year profit was struck after total depreciation of £33.6m (£31.5m)—including an additional £11.5m (£10.5m) for inflation and an increased interest charge of £14.8m against £11m. Earnings come through at £26.3m compared with £20.4m-equal to 17.4p (13.5p) per share or 25,5p (20.9p) prior to additional depre-

clation. and Nuts, and net losses on The interim dividend is investment disposals, estimated at a total of £23m.

The interim dividend is 5.8392p (5.589p) net—equal to an unchanged \$.3417p gross. The net total for 1978 was 17.38p paid from pre-tax profits of £87.3m.



Referring to the sale of the 50 per cent holding John Lysaght (Australia) the directors state that application for the necessary Australian consents to enable completion to be effected has been made. In the meantime the profit for the half year of £4.7m. included under share of associates profits.

They say that the acquisition of Sheepbridge Engineering, a company with interests in the manufacture and distribution of automotive replacement parts, is one of a number of steps being taken to develop GKN's distribu-

**Inco progress** in Indonesia CANADA'S Inco expects that its

mine will produce 20m to 25m lb TAXABLE profits of Sedgwick of nickel this year and will Forbes Bland Payne Group, for reach 50 per cent to 60 per cent the first six months of 1979, are of its designed 100m lb anual shown at £25.3m, compared with capacity in 1980.

Mr. J. Edwin Carter, the Inco chairman, added in a speech to local company officials in Sudbury, Ontario, that the Indonesian mine produced 10m lb of nickel in 1978, its first year of commercial production.

Commenting on Inco's studies of the feasibility of ocean bed mining of manganese nodules, Mr. Carter said all efforts bave been of a research and development nature and the conclusions, at best, were tentative. He thought that ocean mining would not begin before about 1990.

#### Hoskins and Horton at £0.34m so far

ON turnover up from £4.58m to £5.27m, taxable profits of Hoskins and Horton edged ahead to £338,000 in the first half of 1979, compared with £316,600 last time. The directors of the building and hospital equipment group say that Hoskins is now seriously under-employed through the restrictions in the National **Health Service.** 

The engineers' dispute has been damaging, they add, and the immediate outlook is bleak Trewhella is also very short of CSM Plating, which was acquired in June and the results of which are not included, is

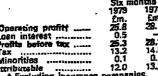
doing well. The Horton companies have made strong progress after a difficult start. Interest charges are increasing sharply, the directors say, because of extra finance required temporarily for export and the rise in rates. The net interim dividend is

lifted to 3p (1.689p) to reduce disparity. Last year a total of 10.38784p was paid from taxable profits of £631,000 (£374,000). After tax of £129,700 (£127,700) CANADA'S Inco expects that its earnings per 20p share are given US\$900m (£418m) Indonesian as 7.9p (8p).

## GKN up £11.5m so far Sedgwick Forbes turns in AMC profit and £25.3m for six months

The results are the first of the group since implementation of the merger between Sedgwick Forbes Holdings and Bland Payne Holdings on February 12 1979, the 1978 figure being the combined result of the two com-

Operating profit, which direc-tors fell would be misleading to include for a six-month period, was £25.8m (£28.1m) and loan interest took £0.5m.



Attributable 12.0 13.2 t Excluding Insurance companies.

Mr. Neil Mills, chairman of this insurance, reinsurance and underwriting concern, explains that results were affected by the strength of sterling, against the U.S. dollar, and by soft insurance markets worldwide. He says that if the pound had

remained at the same levels rul-ing in the first six months of 1978, profits might have been £2.7m higher. Mr. Mills says that as the re-ceipt of brokerage income does not necessarily follow a uniform pattern over the year, no conclu-

sion can be drawn from the interim figures. Results will depend on the re-lative value of the pound against foreign currencies, he states: "it is, therefore, extremely difficult

forecast the results for the The directors, however, do not expect profits for the full year two former groups, for their last financial year—Profits of Sedg-wick Forbes and Bland Payne in 1978 were £25m and £25.9m

A substantial amount of time has been taken up during the period in further planning of the integration of the businesses of the two groups, ad the chair-man says the Board remains confident the group provides a solid base for future growth. Earnings per 10p share of the

In a day of turbulent currency markets, where the Dolfar breached the DM 1.80 barrier, Lex considers the response of the central banks. It was a busy day for the engineering sector yesterday with GKN heading the list of companies reporting from that sector; its half-time profits rose from £42m to over £53m, which is well in excess of expectations. Meanwhile, Delta Metal shows an increase from £12.9m to £14.1m but the company has ben hit by two serious internal disputes and now faces the general engineering workers' strike. Else-where, Amalgamated Metal produced some very disappointing figures and the dividend is cut while Stone Platt's interim figures reveal a collapse in profits. Brown Boveri Kent is well down, Hestair is scarcely making any money pre-tax and Telefusion—the retail and rental company—also shows a drop in pre-tax profits. The day seemed to produce very few bright spots except perhaps motor dealer Harold Perry.

group are given as 5.7p—the same figure as for the former Sedgwick Forbes group—and directors are paying a net interim dividend of 2p, absorbing £4.2m, as forecast at the time of the merger. They expect to pay a 3p final for the year.

comment

A first time set of figures from the newly merged Sedgwick Forbes Bland Payne insurance broking giant — it represents around a quarter of the insurance around a quarter of the insurance broking sector in terms of market capitalisation and is the largest insurance broker in the UK—are down fairly predictably. The usual currency factors affecting all insurance brokers have had an adverse impact on the high overseas earning SFBP. Merger costs have not helped and rationalisation has yet to work through. For the full year £47m looks possible for the group but prediction is an uncertain exercise. The group says that profits are not likely to equal the total profits of the two groups for their last financial year. It is using the managing accounts of Bland Payne for the period to end December last year and its own published figures for that ssment so the stockmarket is going to find any appraisal difficult. Meanwhile, the shares at 94p yield a prospective 7.6.

#### Six months' reduction at Wadkin

TAXABLE PROFITS of Wadkin, the woodworking and metalworking machinery group, were down from £1.01m to £0.62m for the first six months of 1979. Sales were some £1m higher at £11.75m, but the export contribution fell from £3.94m to £3.52m. While the group has been able to hold up its order book, output was lower than targeted due to industrial action. Also, margins were reduced because some of the effects of the increased value of sterling have been absorbed, in order to be more competitive against foreign competition at me and abroad.

Although order books are sufficient to maintain full produc-tivity throughout the year, the Board says the trading position for the second half remains un-certain due to the current national engineering dispute:
Half-yearly earnings per 50p share declined from 13.94p to 8.96p, but the interim dividend is kept at 2.25p net—last year's final was 4.22n Tax took £190,000 (£388,000)

## interim cut

ctation of sterling during the first half has necessitated a charge of £754,000 against group

reserves compared with a credit

In 1978 the group, a subsidiary of Preussag AG, produced a pro-tax profit up from £6.1m to £8.5m

and a total dividend of 16.49 was

Given the rise in non-ferrous

Given the rise in non-terrous metal prices this year, AMC's interim profit shortfall of a third comes as something of a shock. The shares crashed by 25p to 270p yesterday and there is enough uncertainty surrounding the nature of the group's problems to suggest that the share price floor has not yet been

price floor has not yet been reached. Certainly the futures

operations have performed very well and both tin smelting and

industrial operations are described as "satisfactory." Bur other than spotlighting substan-tial losses in certain areas with-in the physical trading division

in the physical trading division here is no way of telling where and in which commodities AMC has been hit. The difficulties are sufficiently serious to necessitate a review of trading policy and the inference must be that the problems have them interest.

comment

tain activities within the physical trading division have cut first half 1979 profits of Amalgamated Metal Corporation from 55.79m to 53.87m. In view of this the interim is being lowered by 2.5p

The directors explain that these losses directly affect the profit available to shareholders since, due to their geographic location, no tax relief is evail-

1979 1978 £000 £000 604,000 455,000 3,886 5,785 2,390 2,712 734 1,027 742 2,046 380 ener tekonity duoise xiraordinary credits . 380 — New management is being introduced into the division and a letailed review of trading policy is being made. Significant changes in the approach towards trading may be expected following this review, the directors

They report that the results of the tin smelting and industrial divisions continued at a satisfactory level, although the latter division was affected by the haulage dispute. Excellent re-sults from terminal trading activities were more than offset by the physical trading losses.

After tax, lower minorities and taking in an extraordinary credit this time of £360,000 the net profit came through at fl.1m, against f2.05m. Earnings per share before the extraordinary credit were 10.9p (31.8p) and after the

the inference must be that the problems have been internal rather than external and the division has probably been underperforming anyway since 1974. The sheer volatility of these activities precludes sensible forecasting at this stage and the decision to cut the interim dividend may be interpreted as prudent rather than Marshall (Loxley) profit

falls £244,000 midway IN LINE with last May's warning account. Therefore, despite the profits fall, the interim dividend that results for 1979 would not be as good as in previous years. Thomas Marshall and Company (Loxley), maker of fireclay reis held at 1.2p net on earnings per 25p share of 1.5Sp (5.23p)last year's final was 1.576p. fractories, etc. reports a drop in first-half taxable profits from £369,000 to £125,000. Turnover was almost film higher at £8.71m. Depreciation charged was £157,000 (£148,000) and interest was up by £80,000 to £163,000. Tax took £32,000 (£74,000). Mr. W. T. Hale, the chairman, says there has been only a partial recovery from the poor first quarter which he reported in his last annual statement. He says

H. Mackay expands to £338,000

the fears expressed in April, 1977, that a strengthening pound coupled with high inflation would make make exporting more difficult, were well founded. The resulting lack of orders has forced the company orders has forced the company to make some redundancies. The second half of each year is normally considerably better for the company than the first six months, Mr. Hale states. While the removal of price control allows a more realistoic price for some of the company's pro-ducts in the UK, continued infla-tion and a big increase in the value. Profit approached the improved rate obtained in the cost of gas makes for uncertainty. In spite of the problems, the charman anticipates an improved performance during the second

Last year, profits fell slightly from £1.2m to £1.16m. Mr. Hale explains that the Board foresaw these problems some months ago and the decifinal dividend took them into year's final was 2.22p.

Taxable profits of Hugh Mackay and Campany, carpet manufacturer, increased from £193,000 to £338,000 in the first half of 1979, on turnover of £4.66m, compared with £4.1m. Mr. John Mackay, chairman, says that despite difficult trading conditions within the industry, the group managed to maintain sales volume and increase sales

second half of last year. For the whole of 1978, the surplus reached £656,000. After tax for the half-year of £195,000 (£118,000), earnings per 25p share are shown to have risen from 4.04p to 7.24p. The net interim dividend is held at 1.4p.

#### DIVIDENDS ANNOUNCED

					•
transisti da la company	<b>-</b>	Date	Corre-		
	Current		sponding		
fa 1201	payment	payment	div.		
Amal Metalint. Blockleysint.	3_	Nov. 2	5.5		
Blockleysint.	1.5	Oct. 22	1.16 .	<b>—</b>	
Brown Beveriint.	1	Dec. 14		_	2.2
Copydexint.	. 1	Oct. 31	0.75	<b>—</b> .	2.46
Crodaint.	1.5	·	1.08	<u> </u>	2.43
Delta Metalint.	1.82	Jan. 2	. 1.82	<b>—</b>	5.6
Dowding & Mills		-	0:66	1.5	1.2
Garton Engint.	3.15	Nov. 30	3 .		6.539
Glasgow Stekhldrs. spec,	0.44il	Oct. 19			
G.T. Japan Invst.		Oct. 25	1 .	<del>-</del> <del>7</del>	2
Guest Keenint.		Jan2	5.59	-	17.38
Hamilborneint.		Nov. 16		_	0.94
Harris & Sheldonint.		Nov. 8	1.05*		. 991#
Hestairint			2.36	<u> </u>	3.5
Bigheroft Trustint.	1 .	Oct. 23		_	2
Hoskins & Hortonint.	300	Nov. 1		_	10.39
Kwahu		Nov. 9		1.84	1.84
Liverpool Postint.	3.46	Oct. 31		<del></del>	8.1
London & Holyrood int.	-0.10	Nov. 16	1 25	:	
Lond, & Provincialint		Nov. 16	1.25	_	3.95
Mandersint		Nov. 19	0.0		
Leadenhall Sterling int.	. 125	Jan. 3	0.89* -	<u>_</u> 5	2.57*
Leyland Paintint.	1	Nov. 30	1*		3.04
T. Marshall (Lxiy.)int.		Nov. L			2.78
Park Place	18†	1104. 1 .	0.82	2.8	L12
H. Perryint.	3	Den 8	162	++	
Selection Trustint		Nov. 5	1.68 5	<u>_</u> ††	20.84
Sedgwick Forbesint.		Oct. 26	<u> </u>	<b>11</b>	4U.09
Sterling Trust spee, int		Oct. 30		89	
Stone-Plattint.		Nov. 16			4.06
Telefusion		Nov. 2	2.73 0.7	1.5	1.31
TransOceanic spec int.	1 224*	Nov. 1	0.7	1.5	1.31
Wadkinint	2.25	Nov. 1	2.25	<u></u> :	6.47
Williams & Jamesint.	1.16	Nov. 9			
	TTO	740A' A	1.11		3.67

1.11 - 3.67 

> US \$20,000,000 Floating Rate London-Dollar Negotiable Certificates of Deposit due 20th September, 1984

The Industrial Bank of Japan, Limited London



In accordance with the provisions of the Certificates, notice is hereby given that for the six month interest period from 20th September, 1979 to 20th March, 1980 the Certificates will carry an Interest Rate of 131% per annum. The relevant interest payment date will be 20th March, 1980.

Credit Suisse First Boston Limited

## The Rio Tinto-Zinc Corporation Limited

Report for the half-year ended 30 June 1979

The directors announce that the unaudited net profit attributable to RTZ shareholders before extraordinary items for the first six months of 1979 was £61.6 million (24.44p per ordinary share), an increase of £20.8 million (8.25p per ordinary share) over net profit for the corresponding period of 1978. The increase in net profit was mostly due to the improvement in prices realised for copper, lead and zinc, and would have been approximately £9 million more but for the higher value for the pound sterling used to translate the net profits of overseas subsidiaries compared with

Summary

Sales for the first half of 1979 were £1,171.8 million as against £972.5 million in the comparable period of 1978, an increase of approximately 20 per cent. The increase of some £200 million would have been £150 million greater but for the higher value for the pound sterling at 30 June 1979 used to translate the sales of overseas subsidiaries, compared with the value a year earlier. Seles by Duisburger Kupferhütte of £38.9 million and United Sterling of £17.8 million are included in 1979 figures, both companies having been acquired early in the year.

The average prices for all non-ferrous and precious metals sold by the Group were substantially higher in the first six months of 1979 compared with the same period in 1978. For copper the average LME price was £940 per tonne, an increase of £261 per toune over the average price for the first six months of 1978, and the improvement in lead and sinc prices was even more marked.

As a consequence largely of the higher metal prices. Group profit before tax for the first six months of 1979 increased to £199.3 million, an improvement of £76.7 million over the same

After deducting tax and the amount attributable to outside shareholders, net profit attributable to RTZ shareholders for the six months to 30 June 1979 was £61.6 million (24.44p per ordinary share), an increase of £20.8 million (8.25p per ordinary share) over net profit for the comparable period in 1978. The increase would have been approximately £9 million larger but for the higher value for the pound sterling in 1979. referred to above, used to translate the net profits of overseas subsidiaries. Deferred tax in the Group's non-mining

subsidiaries has been calculated in accordance with SSAP 15 and it is estimated that the tax charge for the half-year after allowing for the consequential write-off of advance corporation to has been replaced by unconsequential with a few parts of the consequential write-off of advance corporation. tax. has been reduced by approximately £1.9 million compared with the amount that would have arisen under the full deferral method previously used. For the first half of 1978, the corresponding reduction in tax was £0.7 million.

Contribution to RTZ's net attributable

earnings from its principal activities Largely as a consequence of the higher metal prices, sales by the CRA Group for the first six months of 1979 expressed in sterling were £57 million above the level of a year ago, an increase of approximately 18 per cent. The greater part of the increase was achieved by All&S as a result of higher metal prices together with increased volumes of zinc concentrates and lead metal, partly offset by lower volumes for lead concentrates and zinc metal. Bougainville's sales were higher, the improved copper and gold prices being more than sufficient to offset a small. reduction in production and shipments. Hamersley's sales were higher in Australian currency mainly as a result of favourable exchange movements against the US dollar together with some price increases, but this changed to a small decrease when expressed in sterling. Shipments were adversely affected by an industrial dispute which stopped all production between late May and early August. The CRA Group's contribution to BTZ's net attributable earnings for the first half of 1979 was £16.6 million higher than in the same period of 1978 reflecting the improvement in earnings by AM& S, Bougainville and Mary Kathleen Uranium. The not contribution from Hamersley was marginally below 1978, the increase in investment allowances being offset by accelerated depreciation on the pellet plant.

Rio Algom's sales were higher in Canadian dollar terms but lower when translated into sterling. The improvement in the Canadian dollar sales revenue was due to an increase in steel sales in spite of the Tracy plant having been shut down by industrial action since mid-March. There was a small decrease in revenue from uranium, higher selling prices being more than offset by a fall in shipments resulting from the refusal of the Tennessee Valley Authority to take delivery of 500,000 lbs of U<sub>3</sub>Os, in concentrates. Lornex's revenue was higher reflecting the increase in copper and molybdenum prices and earnings were improved accord iv. Notwit improvement, the effect overall of the decline in the value of the Canadian dollar together with an increase in operating costs at the Elliot Lake mine has resulted in Rio Algom's contribution to RTZ's net attributable earnings for the first half of 1979 being £1.6 million lower than in the same period of 1978, a decrease of approximately 24 per cent.

by Pillar Aluminium in the UK and by Indal in North America including new acquisitions which were not reflected in the 1978 half-year results. As ware not relected in the roy harryest result of the improved profit from Pillar Aluminium's and Capper Pass' operations in the UK and from Indal's operations in North America, the contribution from RTZ Industries for the first half of 1979 was approximately 10 percent higher than in 1978.

Compared with the same period in 1978, increased contributions to sales and net profit were achieved by RTZ Oil and Gas from its participation in the Argyll Field in the North Sea as a consequence of improved production and higher oil prices, and by Anglesey Aluminum and the metal trading activity as a result of buoyant market conditions for aluminium.

The indications are that metal prices generally will be somewhat less buoyant in the second half-year than they were in the first half, and most

(£ millions)	First Half 1979	First Half 1978	Year 1978
Group sales revenue	1,171.3	972.5	1,953.9
Group operating profit	196.7	119.2	276,8
Share of profits of associated companies	15.9	14.0	29,4
Dividends and interest receivable	16.1	14.4	28.1
	228.7	147.6	334,3
Deduct : Interest payable	29.4	25.0	50.3
Group profit before tax	199.3	122.6	284.0
Deduct: Tax	86.1	55.5	111.9
Group profit after tax	113.2	67.1	1721
Deduct: Attributable to outside shareholders	51.6	26,3	69.8
Net profit attributable to RTZ shareholders (see note 1)	£61.6m	£40.8m	£102.3m
Earnings per ordinary share	24.44p	16.19p	40.59p
Dividends: Preference	0.2	0.2	0.4
Ordinary-Interim	10.9	8.4	8.4
—Final	_=		19.4
	£11.1 m	£8.6m	£28.2m
Declared per 25p ordinary share	4.50p	3,50p	11,50p
Gross equivalent to UK shareholders	6.43p	5.22p	16.65p

Gross equivalent to UK

(1) 1978 results have been amended from those originally published in order to include deferred tax in accordance with SSAP 15. The effect of these amendments has been to reduce the charge for tax and to increase not profit attributable to RTZ shareholders by £0.7 million for the first half of 1978 and by £3.9 million for theyear 1978.

(2) The results of overseas operations have been translated from foreign currencies into starting at the quoted rates of exchange ruling at the eccounting dates.

(3) The amount shown for the 1979 inturin ordinary dividend is calculated in relation to the ordinary shares currently in issue and no amount is included for any issues of accumulating ordinary shares elletted to holders of accumulating ordinary shares in fieu of dividend. If all accumulating ordinary shares are converted to ordinary shares, the cost of the 1979 interim dividend will be £11.3 million.

(4) The results of certain overseas subsidiaries have been adjusted for differences in accounting practices. The effect has been to increase RTZ's not attributable profit for the first half of 1979 by £1.5 million compared with the amount derived from the published results of the subsidiaries concerned. The corresponding adjustments for the first half of 1978 and the year 1978 were increases of £0.5 million and £1.7 million respectively.

Palabora's sales were higher than in the first half of 1978, mainly as a result of the increase in copper price. The contribution to RTZ's net profit was correspondingly improved. Rossing Uranium achieved an increase in sales as a result of the higher rate of production which had reached design levels by mid-year. Profit for the period was also better than in 1978 and no provision for tax was necessary as profit for the half-year was covered by losses brought forward.

Sales by RTZ Borax were approximately 7 per cent above the level of the first six months of 1978. The inclusion of United Sterling for the first time was more than sufficient to offset the lower sales from US Borax resulting largely from the decline in the value of the US dollar. Net profit expressed in sterling was, however, affected by the lower US dollar value and there was a small decrease compared with the first half of 1978 when production was running at high levels. Profits from the chemical operations in the United Kingdom were higher than the corresponding period in 1976 due to the better than expected results from United Sterling.

RTZ Industries' sales were nearly 25 per cent higher than in the corresponding period last year. This was achieved mainly through increased sales

of the Group's operations are experiencing increasing inflationary pressure on costs. Notwithstanding these factors and the adverse effect which the strength of sterling has in reducing the value of profits earned by the Group's overseas subsidiaries, prospects for 1979 as a whole are for net profit to show a useful improvement over 1978.

US anti-trust proceedings The private civil anti-trust actions brought in the United States by Westinghouse Electric
Corporation against twenty-nine companies
including RTZ and certain Group companies, and
by the Tennessee Valley Authority against eight
companies including RTZ and certain Group
companies, both continue It is expected that were companies, both continue. It is expected that very heavy damages will be asserted in these actions by Westinghouse and the Tennessee Valley

Recently, Rio Algore Limited has commenced two actions in Canada, one against the Tennessee Valley Authority claiming damages of \$600 million Canadian and one against both Westinghouse and the Tonnessee Valley Authority claiming damages of \$1,600 million Canadian.

Printed copies of the report are available on request from the company's transfer office, 1 Redcliff Street, Bristol BS1 6NT.

As stated in note 25 to the last audited accounts, in the Westinghouse action a default judgment has been entered against all the non-appearing defendants, including RTZ and four other non US Group companies on issues of liability. Motions to defer a hearing on damages mill after the trial on the meriis (currently scheduled for September 1981) were made by all appearing defendants and supported by briefs filed with the Court by Her Majesty's Government and the Government of South Africa. However, the United States judge ruled on 17 September that, subject to the resolution of various appeals Court of Appeals, he intends to hold such hearing on damages against the non-appearing defendants on 10 December prior to the trial of the action on the merits against the appearing defendants.

RTZ and RTZ Services have been served with sn order made under the Shipping Contracts and Commercial Documents Act 1964 by Her Majesty's Covernment directing the companies not to comply with orders of the US Court to produce UK documents and information. In the Westinghouse action, the preliminary

injunction purporting to restrain the transfer, withdrawal or divestiture of United States assets by all non-appearing defendants, continues. On the basis of the relevant facts and in accordance with legal advice, RTZ and the Group companies named in both of the actions, with the exception of Rio Algom Corporation (a company incorporated in the United States), deny jurisdiction. Furthermore, BTZ and all the named Group companies deny liability. Legal expenses are being charged against revenue as incurred but no further provision has been made.

Dividends

The directors have declared a dividend of 1.6625p per share on the 3.325% 'A' cumulative preference shares of the company and a dividend of 1.75p per share on the 3.5% 'B' cumulative meterence shares of the company both in respect of the half-year to 31 December 1979. These dividends will be paid on 2 January 1980 to holders on the London and Melbourne registers as at close of business on 16 November 1979 and to holders of share warrants to bearer representing 3.5% 'B' cumulative preference shares on or after 2 January 1980 after presentation of coupon

The directors have declared an interim dividend of 4.50p per share in respect of the year to 31 December 1979 on the ordinary share ital of the company, compared with 3.50p per

The interim dividend on the ordinary shares will be paid on 2 January 1980 to holders on the London and Melbourne registers as at close of business on 16 November 1979 and to holders of share warrants to bearer on or after 2 January 1980 of the proposed bearer on or after 2 January 1980 after presentation of coupon number 38, in the case of holders of ordinary shares and 'A' cumulative preference shares on the Melbourne register, payment of the foregoing dividends will be made in Australian currency at the rate of exchange ruling on 27 November 1979,

The dividends on the ordinary and preference shares will be paid without deduction of income tax and will carry a tax credit. This credit will be available principally to United Kingdom resident shareholders and also to shareholders resident in certain other countries under double taxation agreements. The interim ordinary dividend for 1970 of the addition that are conditionally assistant as the conditional taxation agreements. 1979 after adding the tax credit will be equivalent to a gross dividend of 6.48p per share (compared with 5.22p per share for the interim dividend for

Accumulating ordinary shares Holders of accumulating ordinary shares will receive on 2 January 1980 a further allotment of accumulating ordinary shares, credited as fully paid, on the basis of 0.014810 of a new share for every share held at the close of business on 16 November 1979, Fractions of less than one half of a share will be eliminated and fractions of one half of a share or more will be rounded up to one whole share. Holders of accumulating ordinary shares will also receive a dividend of 0.1p per

By order of the Board D. A. Strestfelld Secretary

6 St. James's Square London SWIY 4LD. 19 September 1979.

اهکذا شاند رم

BUT FOR the engineering dispute. Lord Caldecote, chairman struck after heavier interest of £3.24m. of Delta Metal says that he would have been confident that group pre-tax profits for 1979 would be higher than the £28.5m achieved in 1978.

in the first half of the year sales improved from £227.9m to £256.8m and profits moved ahead hy 8.7 per cent to £14m. The engineers dispute is, however. engineers uspute is, noweves, soverely restricting production at a number of plants and the chairman feels that it would be unwisc to make any forecast for the second half.

Lord Caldecote reports that in the UK demand for most products continued at a satisfactory level, but profits were adversely affected by industrial disputes. Exports were lower, reflecting the difficulty of quoting competitive prices combined with the strength of sterling and industrial disputes, which led to demand for some products not be-

ing met. overseas companies sales and profits were higher; hetter results in Africa and Europe outweighed the adverse effects of exchange rate move-

Current UK demand for most of the group's products is not so broyant as it was in the first quarter. Export business is "thus of paramount importance" and is becoming increasingly competitive, states the chairman. In the coming months he anti-cipates that UK trading condiions will become more difficult, Home demand will at best remain static at its present somewhat depressed level and exports will continue to meet strong com-

Overseas, particularly in Africa and Europe, the outlook is brighter and it is anticipated that improved results will be main-

£6.41m against £4.14m—mainly due to the increased copper price and higher interest rates. After providing for a heavier tax charge net profit before metal account comes through lower at £8.08m against £9.06m, and earn-

ings per share stated at 5.6p (8.3p). showed an advance from £0.28m to £4.76m, before tax of £0.52m (£0.01m). In accordance with normal practice no transfer is made to, or from the metal price contingency until the year end. The reserve at December 30 1978 stood at £7.43m.

The current cost profit, before tax, is estimated at £10.9m (£8.4m).

(£8.4m).

The interim dividend is maintained at 1.82p per share—the total for 1978 was 5.5037p.

First helf 1979 1978

Sales Em. Em.

Share of essocietes 3.08 2.28

Profit before interest 20.46 17.08

Interest 4.14

Profit before tax 14.05 12.92

Taxation 6.58 3.55

Net profit 8.49 9.37

Minorities 0.41 0.31

Nar profit 8.08 9.06

Interim 2.60 2.60

† After depreciation 5.13m (£4.82m).

See Lex

Williams & James up

PROFITS BEFORE tax of Williams and James (Engineers), compressed air and vacuum hydraulic equipment manufac-turer, increased from £351,510 to

falls in first half A FALL in the UK paint and printing ink section has left taxable profits of Manders

**Manders** 

(Holdings) at £1.3m for the first

industrial action at the begin-

ning of the year. While the group's plants worked normally,

the level of demand was reduced.
"Export business was lost and

the impact of this has not yet

levels, towards the end of the six months were running at the

2.41p.
Tax for the period, on the liability basis, takes £480,000 (£487,000), leaving a net profit down from £1.05m to £822,000.

Astbury &

25% ahead

TAXABLE PROFITS of Astbury and Madeley Holdings rose 25

per cent, from £420,000 to £525,000 in the first half of 1979,

on turnover 27 per cent higher at £5.81m, against £4.57m.

The directors say second-half

results have been encouraging so

far, but they express concern about the effect of the engineers' dispute on suppliers and cus-tomers. For the whole of 1978,

the taxable surplus reached a

After tax for the half year of £273,000 (£225,000), earnings per share are shown to have risen

consolidation of 5p shares

into 25p shares.

Principal activity of the group

in first half

For the half-year ended July

31. 1979, gross revenue of the

United States Debenture Corpora-

higher at £1.57m against £1.45m. The interim dividend is raised

stockholding and distribution

record £1.01m.

Madeley

same level as last year.

Tax took £26,005 compared with £54,755—SSAP 15 has been half of 1979 compared with £1.54m previously. Profit for 1978 was a record £3.44m.
Mr. G. Norman, the chairman, says the UK trading operations were all affected by the adopted and comparisons restated—leaving the net balance ahead at £452,265 (£296,755).

The net interim dividend is raised from 1.1055p to 1.155p and absorbs £20,790 (£19,899). Last year a total of 3.6745p was paid from record profits of £781,000 (£452,000).

**Dowding** and Mills tops £2m

same level as last year.

First-balf turnover expanded to £14.83m (£13.76m).

Pro-tax figure was split as to (£'000): UK paint and printing ink £899 (£1,190); overseas printing ink £117 (£109), and UK property £286 (£242).

The net interim dividend is increased to 1.20 (0.940p) per 25p share—last year's final was 2.41p. WITH TURNOVER nearly 20 per cent better at £13.62m, pre-tax profits of Dowding and Mills, electrical and mechanical repair engineer, rose by over 17 per cent from £1.74m to a record £2.04m for the year ended June 30, 1979.

At halfway, when profits were up from £0.81m to £1.04m, the directors said that although they did not expect this momentum to continue into the second six months, they were confident that the full year's results would be ahead of the previous year.

A final dividend increased from 0.655p to 0.91p net takes the

total payment up by 25 per cent from 1.2p to 1.5p per 5p share. The directors say that pursuing their policy of capitalising reserves, they will be recom-mending to the annual meeting that the nominal value of the existing 5p shares be increased to 10p, doubling the company's issued share capital. The num-ber of shares held by each share-

### Telefusion hit by increased depreciation and interest

interest charges have cut back 3.09p (2.61p) the final dividend taxable profits of Telefusion, is raised to 0.836351p (0.701805p) radio and television group, from not making the year's total (2.07m to £1.73m for the year 1.501851p (1.306805p). ended April 28, 1979.

Profits at halfway had risen from 1910,000 to 11.18m and the cluded £50m (£37.8m) from re-directors anticipated that results for the full year would exceed The directors state that group

the current year. They add that the Trident reorganisation will the completed during the first six months with retail profit be Comment ing achieved in the second period, which with the progressive elimination of manufacturbase for much improved profits in the future.

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Tricuovert	77,350	63,398
Rejail	50,008	37.831
Rental	24.683	27,427
Manufactore .	2,303	2,145
Detre	45G	_
iladian profit .	12,624	12,329
Lat & tent record	267	208
tat & tent record	7,727	7,247
[ CQU:D. 1035thg	1.035	1,949
nterret passi	1.249	903
Marrieta & divor-	•	
tors	196	167
Pasociate share	14	_
Profit before tax	1,778	2,049
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Gversess .	1.11	197.
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ainst £1.36m.		
Person LL-YOU.		

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**Apartments** 

रेज क्षेत्रकांत्र क्षेत्रकां क्षेत्रका कार्य दोनापुरः रक्षाका :

Turnover, excluding VAT, rose to £77.4m (£63.4m) which in-

for the full year would exceed those of 1977-78.

They now say that increased profit will come from rental in records, notwithstanding conreorganisation es-

Disappointment is not new to

shureholders in Telefusion. But there are reasons why profits slipped again last year. The winter's weather and industrial disputes hit distribution—though statistics do not paint a too un-pleasant picture. Anyway retailing (Trident) made losses of £800,000 after £500,000 reorganibeen capitalised). Rental profits continued firm, rising to 13.1m chipped in a £600,000 loss and the future of this loss maker under some hard Trident has been substantially reorganised over the even in the first half though a question mark must hang over Telefusion reckons its deprecia

and on a p/e of 11.7 (stated earnings) and yield of 5.9 per cent the "A" shares at 37p have little

#### **Harris and** Sheldon interim up

For the first half of 1979, profits of Harris and Sheldon Group have shown an improve-ment, from £1.37m to £1.49m. Turnover was nearly £2m ahead

The intrim dividend is tively stopped up from 1.052p to

Net profit came out at £718,000 (200,000), after tax £778,000

Group activities cover luggage and travel goods, motor accessories, lifts, and seating.

from 4.84p to 5p. The net in-terim dividend is stepped up to 0.667p (0.5p)—last year's final was 1.5p. Last September there was a three-for-one scrip issue

#### of a range of equipment used by industrial and central heating U.S. Debenture ahead

1.25p. from earnings of 1.81p, against 1.66p. Last year the dividend was equal to 2.213p from profits of £4.04m.

necessarily indicate that total dividends for the year will be greater than the 4.05p total paid Net asset value per share is shown as 114.4p against 126.4p.

#### BANK RETURN

consumer expenditure later in	<u> </u>	Sept. 19 1979	for week
the year. On the rental sid Telefusion reckons its depreciation and leasing charges hav topped out which could make significant impact, on pre-ta- profits but nevertheless the market remains unimpresse	BANKING Liabilities Capital Public Deposits Special Deposits Estimate Deposits	26,910,420 771,935,000 496,921,705	£ + 2,372,671 + 43,497,086 - 78,266,003
	1	1,989,011,727	+ 124,135,760
W.I. nished	ASSETS Government Securities Advances & Other Accounts Premises Equipment & Other Secu- Notes Coin	211,937,219 293,085,317	+ 115,900,000 + 5,508,483 + 23,048,475 — 21,109,086 - 7,112 - 124,135,780
January Blancin mint	ISSUE I	DEPARTMENT	
ristopher's Place in quiet, area near Oxford Street.	Liabilities	£ !	£
with maid service.	Notes Issued	9,425,000,000 9,418,217,114 6,782,886	- 50,000,000 28,890,914 31,109,086
nents Limited pher's Place, London WIM 5HD	ASSETS Government Debt. Other Government Securities	11,015,100 8,353,064,609 1,080,920,281	+ 129,063,641 179,083,641

9,425,000,000

- 50,000,000

This announcement appears as a matter of record only.

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## The Delta Group Interim Report

\* Half-year pre-tax profits up 8.7%

- \* Demand in the United Kingdom continued at a satisfactory level
- \* Sales and profits of overseas companies higher

#### Highlights from the half-year results

•	Half-year to		Year to
	30.6.79	1.7.78	30.12.78
Sales	£256.84m	£227.94 $m$	£448.70m
Profit before tax	£14.05m	£12.92m	£28.45m
Attributable profit	£8.08m	£9.06m	£19.93m
Dividend per share	1.82p	1.82p	5.6p

"But for the engineering industry dispute I should have been confident that pre-tax profits in 1979 would be higher than in 1978. The dispute is however severely restricting production at a number of our plants and at the time of writing its outcome and full

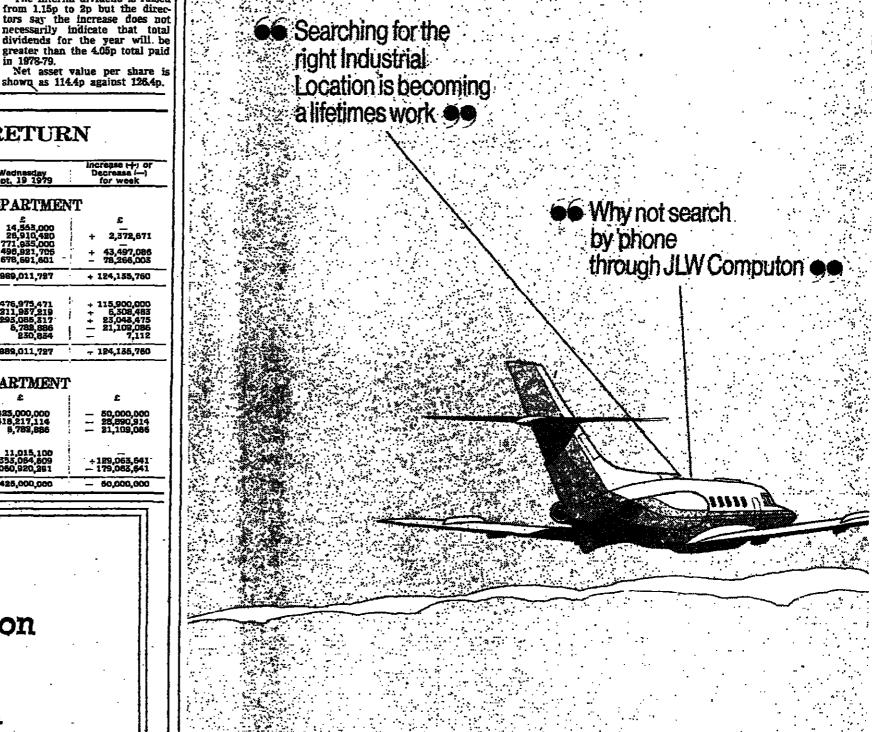
effects are unknown. In these circumstances it would be unwise to make any profit forecast for the second half of the year at the present time".

Lord Caldecote, Chairman.

DELTA PROVIDES PRODUCTS AND SERVICES FOR THE CONTROL AND SUPPLY OF ELECTRICITY, WATER AND GAS, AS WELL AS COMPONENTS AND NON-FERROUS ALLOYS, WORLD-WIDE.

## The Delta Metal Company Limited

Copies of the Interim Report available from the Company Secretary, 1, Kingsway, London WC2B 6XF





66 JLW Computon®\_ a computerized property search and evaluation service

## Stone-Platt profit dives after £1.1m PSL losses

DUE ENTIRELY to losses in the pressure, the Board states. pre-lax profits of Stone-Platt In-UK plants of Platt Saco Lowell, dustries slumped from £4.31m to industry will

of PSL traded satisfactorily, but the remainder of 1979 will of FSL traced satisfactorily, out the remainder of 1979 will as a result of the UK losses, the largely depend on its duration division incurred a deficit of and the time taken to recover fillm compared with a £2.3m both in group plant sand those

machinery market, by some large unprofitable contracts and by the arc performing to plan and

strengthening of sterling.
As a result profit margins have been under considerable pressure, and the machinery involved in the delayed contract is now being allocated to other markets. Management action has been taken to restore this division to profitability, but in view of the likely need to reduce capacity for textile machinery production in the UK the Oldham plant of PSL is being transferred to the electrical division to provide facilities needed by that side. Scragg traded satisfactorily and achieved a turnround from

and achieved a furrious from a £0.5m loss to a profit of £0.5m for the period. All other divisions traded profitably and their total contribution was at the same level as last time.
On future prospects, world markets for textile machinery

and ships' propellers remain de-pressed and international competition is fierce. The strength of UK inflation has eroded the competitive position of UK manufacturing industry and has Changes in exchange rates through by the end of the third put margins under severe during the period reduced sales quarter.

The present industrial disseriously affect fo.74m for the first half of 1979. second-half results, the Board The U.S. and Spanish plants adds, and the level of sales in

of its suppliers. The Board explains that these losses were caused by the unexpected further delay of a major export contract, by the world-wide recession in the textile order books for other plant are extirefeator. Overcase activities Although there is a shortage satisfactory. Overseas activities until the recent engineering dispute other UK plants were performing satisfactorily. total was 4.05531p on £9.51m

pre-tax profits. Earnings before tax for the period are shown as 1.6p (10.4p) per 25p share, while there was a loss of 2.9p (5.5p earnings) after the same. To redress the imbalance between interim and final dividends—the 1978 interim amounted to 67 per cent of the total—the net interim payment is cut from 2.72531p to 1.4p per

the engineering dispute is not prolonged and the effect is not too damaging, it would hope to maintain the full year's dividend at the 1978 level—last year's net Group sales for the first half increased from £88.99m to £103.13m. Interest charges were significantly larger at £2.22m (£1.41m) due to the need to finance higher levels of working control and to service higher levels of working capital and to service borrowings to finance new acquisitions, and because of higher interest rates.

companies expressed in sterling oy £2.7m and £0.3m respectively. Exports from the UK totalled £44.3m, which represented 61 per cent of the output of UK plants. Unexecuted orders at June 30 were £138m compared with £179m at the end of 1978. The major export contract at PSL has been removed from the unexecuted order book and is the main cause of the reduction.

#### comment

Stone-Platt shares have been very weak over the past seven days or so but the interim collapse was sufficient to slash the price by a further 14p yesterday to 55p. UK textile machinery losses of over £2m against a profit of around £1.1m are entirely responsible and difficulties imposed by a substantial fall in worldwide demand for spinning machinery have been com-pounded by the inordinate delay on the £30m order for Saudi Arabia. The group is reasonably confident that it can sell this contract piecemeal and the other contract piecemeal and the other divisions, both at home and abroad, look to be performing reasonably well. But the rating is effectively in limbo until the engineering dispute is settled and, if all the uncertainties facing the sector were not enough. Stone-Platt appears to have made a rad for its own The Board adds that provided have made a rod for its own back by reacting slowly to changing conditions in the textile machinery industry. Management said to have corrected this fault and it is expected that stocks can be reduced and poor margin orders can be worked

## Liverpool Post shows recovery

and pre-tax profits of overseat TAXABLE profits of the Liverpool Daily Post & Echo slipped 2.7 per cent from £1.94m to £1.89m in the first half of 1979, but this the first half of 1979, but this reflected a second quarter recovery from the effects of the lorry drivers' strike and the bad winter.

The directors say the disruption was particularly serious to the paper mills, but the UK newspapers were also hit and responded to firm advertising only in the second quarter. Canadian newspaper publishing performed markedly better and registered a profit improvement

in the Canadian dollar. Strong demand favoured the UK papermaking and packaging interests after the early weeks. The major investment to develop a large new packaging plant at Sandy, Beds, has been substantially completed as planned. The anticipated initial losses

fits severely this half. The plant's results will soon start to improve steadily, the directors add. They expect the level of business for most of the group to be high in the second half, although some cost increases are

have cut into the divisional pro-

inevitable. Turnover for the half-year was well ahead at £30.15m, against £24.39m. After a substantially higher tax charge of £658,000 (£163,000)—of which £483,000 (£35,000) was in the UK—stated earnings were down from 15.Sp to 10.9p.

The net interim dividend is stepped up from 3,012p to 3,462p—last year a total of 8,11p was paid from profits of £4.02m. Ricafeg, the retailing sub- increased its holding to sidiary, was sold in June; poor shares (14.76 per cent).

reflected in the results. Liverpool Web Offset is to

close later this year. The direcsay losses continued virtually unabated in the first half and will continue until

Against the backdrop of the road haulage strike and harsh winter weather, the Liverpool Daily Post and Echo group has turned in some reasonable figures. A in sterling despite deterioration strong showing from Canadian interests improved advertising in UK newspapers appear to have mitigated some of the first-quarter problems. The group's streamlining plans (the recent sale of its retailing subsidiary, closure of its offset business and improvements in its packaging division) could be beneficial in the next couple of years. If the 15 per cent increase in the interim dividend is carried through to the final, a yield of more than 10 per cent is possible on a share price of 128p, up 3p yesterday. Some analysts are looking for a 1979 pre-tax profit of £4.3m, giving a fully taxed p/e

#### SHARES STAKES

S. and M. Berisford-Prudential Corporation Group of Com-panies now holds 4,464,157 shares

Adwest-Racal Electronics has increased its holding to 1,446,320

## Perry Motors £1m ahead and boosts dividend A NEAR film profit increase strong and increasing demand by clean the balance sheet of debit and a substantially higher incompanies for which this method balances and enable new shares

and a substantially higher interim dividend are reported by Harold Perry Motors, the Ford main dealer. And the directors say that, with four months still he added, the group had

already comfortably overtaken last year's total pre-tax profit of For the first half of 1979, the taxable surplus surged to £3.15m cent past, they add. (£2,19m), on sales well ahead at £63.77m. against £49m. The net interim dividend is

hoisted to 3p (1.675p), and the directors intend to recommend a final of not less than 3.6p, compared with 2.01p last time. After a significantly heavier tax charge of £1.26m, against £386,000, stated earnings per 25p share are shown as 21p (19.9p). The directors say the remaining months of 1979 are unlikely to see vehicle sales volume at the levels experienced earlier in the year. But the group holds so, many unfulfilled orders for most models in the Ford range that profit prospects in the last quarter are by no means de-pressing, they add.

The three major expansion projects are on schedule: the new truck specialist dealership in Essex has been in operation since August: the new vehale and engine storage and prepara tion depot in Potters Bar will be ready in November; and the truck specialist dealership and body repair depot in Milton keynes is due for completion

next March.
The directors say any fears shoul the effect on group CAF leasing operations of the drawal by legislation of firstyear tax allowances have been dispelled by the continuing

of financing car fleets remains

This tax change together with the greatly increased profits will expansion plans could be expressed profits will mean that corporation tax payments for 1979 and subsequent yesterday a pre-tax loss of £27,258 years will absorb a greater part of these profits than in the re-

#### comment

Perry had primed the market for good results, so the 50 per cent first half increase — though impressive—did little to the share price. In line with other motor dealers, trading was buoyant but Perry's sales seem to have outpaced overall Ford Elsewhere in the car sales. Elsewhere in the group, profits were almost as strong. For the last few months of the year car sales are expected to be a little less euphoric as trading returns to a more seasonal pattern. However, the company has a sufficient head start to turn in around £5.5m pre-tax—a 46 per cent advance. At this level the shares, at 138p. are on a pro pective p/e of 4.5a rating which does not leave too much in store. The prospective yield of 7 per cent is not as good

#### Yelverton to reorganise

as the sector overage.

A capital re-organisation is proposed at Yelverton Invest-ments. The 7.1m shares currently in issue will be reduced from 5p to 1p nominal value and then consolidated to produce 1,420,000 shares of 5p. The purpose of this is to

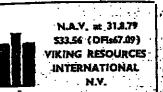
Harold Nield, a director, yester day. This was necessary. (£290,786) for the year to Octo-ber 31, 1978. The accounts were qualified on several grounds including uncertainty over loan provisions and the value of un-listed investments. The accounts have been similarly qualified in

#### John Swire down £1m

previous years.

Though Though investment and interest income was up £0.7m at £1.8m, and its share of associates profits reached £8.7m, against £8.2m, taxable profit at John Swire and Sous dipped £1m to £13.5m for the first half of 1979. Exceptional credits amounted to fl.3m (fl.4m) and interest payable was fl.3m (fl.2m). After tax of £4.3m (£4.8m) and

minorities attributable profitemerged lower at £9.1m £29.7m).



INFO Pierson Heldring & Pierson N.V. Herengracht 214, Amsterdam

The Association of Investment Trust Companies

## INVESTMENT TRUSTS: net asset values

The information in the columns bel supplied by the companies named, which are members of The Association of Investment Trust Companies. The figures, which are in

	Net Asset Value    Net Asset Value   Investment   Investm															
1		l i			after dedu	et Value scling prior	Investment Currency	Total Assets	·				after dedu char at nominal	rges	Currency Premium	
Total Assets		}	Date of	Annual	at nominal	rges at market	Premium	less current liabilities	Company	Shares or Stock	Date of Valuation	Annual Dividend	ralue_	value	(see note g)	
liabilities		Shares or Stock	Valuation (4)	Dividend (5)	value (6)	value (7)	(see note g)	(1) £million	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
(1) Emillion						Catalad (gan	note d)	1 Imanon	VALUATION THREE-MONTHLY	``````````````````````````````````````		Pence et	cept where I	stated (see	note d)	1
152.5	VALUATION MONTHLY Alliance Trust	Ordinary 25p	31/8/79	8.0	cept where s	292.0	8.1	12.3	Industrial & Commercial Fin. Corpn. London Atlantic Inv. Trust	Ordinary 25p	31/S/79	3.6	102.1	103.4	1.1	
85.1			31/8/79 31/8/79	3.8 5.70	130.2 192.0	136.1 196.4	. 3.9 5.4	12.3 †	North-British Canadian Inv. Co Ivory & Sime Limited	Ordinary 25p	31/8/79		Ť	†	No. 20 € 1. 1 <u>11</u> 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	
127.6 27.7	British Investment Trust Capital & National Trust Claverhouse Investment Trust	Ord. & "B" Ord. 25p	31/8/79 31/8/79	5.75 4.40	175.8 126.0	178.5 126.0	4.6 0.1	52.1	Atlantic Accets Trust	Ordinary 25p	31/8/79 31/8/79	1.00 §3.10	168.4 95.5	175.2 100.7	8.6 4.4	
12.6 12.9	Crossfriars Trust Dundee & London Investment Trust	Ordinary 25p	31/8/79 31/8/79	4 17 2.6	129.4 90.6	129.4 92.2	1.6	110.1 38.7	British Assets Trust Edinburgh American Assets Trust	Urainary 200	31/8/79 31/8/79	0.60 1.32	73.5 158.4	75.0 158.4	4.9 6.3	
16.4 \$102.1	Edinburgh Investment Trust	· Otomary Tob	31/8/79 31/8/79	1.95 3.15	78.2 123.6	81.6 125.7	1.6 3 9	17.5	Viking Resources Trust Keyser Uilmann Ltd.	1	31/8/79			191.3		- 1
43.2 13.0	First Scottish American Trust Grange Trust	Ordinary 25p	31/8/79	2.4	116.2 140.6	120.4 143.2	20	. 12.4 52.8	Throgmorton Secured Growth Tst. Throgmorton Trust	fl Capital Loan Stock	31/8/79	4.875	115.8	117.7	-	1 1
. 71.9 60.4	Great Northern investment Trust	Ordinary 25p	31/8/79 31/8/79	4.5 3.15	111.2	115.9 97.7	2.5 2.2 0.4	29.2	Kleinwort Benson Ltd. British American & General Trust		31/8/79	\$2.067	56.3	57.4	1.1 3.3	
31.5	Hume Holdings Investors Capital Trust	"A" & "B" Ord. 25p!	31/8/79 31/3/79	*5.7 2.3	94.4 103.6	109.0	4.2	24.3	Brunner Investment Trust	Ordinary 25p	31/8/79 31/8/79	4.00 2.45	145.8 78.0	148.5 80.1	1.8 2.5	
\$1.2 20.0	Jardine Japan Investment Trust London & Holyrood Trust	Ordinary 20p	31/8/79 31/8/79	· 1,0 4,20	131.0 158.9	131.0 162.6	10.5 4.7	33.8 43.3	English & New York Trust Family Investment Trust	Ordinary :25p	31/8/79 31/8/79	3.50 1.60	104.1 122.8	105.7 122.8	· 0.1	
36.6 25.5	London & Montrose Invest. Trust	Ordinary 25p	31/S/79 31/S/79	5.9 3, <del>9</del> 5	256.8 149.9	261.1 152.5	7.9 4.7	5. <del>4</del> 3.4	JOS HOIGINES	Oldinar 2 mob	31/S/79 31/S/79	2.70 3.45	69.8 115.5	69.8 118.2	0.5 2.1	
48.3 116.0	London & Provincial Trust	Ordinary 25P	31/8/79 31/8/79	1.70 £4.50	x59.1 £89.50	63.3 £94.90	1.0 £1.50	7,2 52.6	London Prudential Invest. Trust . Merchants Trust	Ordinary 204	31/8/79	3.25	97.8	101.2	28	
28,6	Do. Do	:Orginary 20p	31/8/79 31/8/79	3.07 3.05	121.0 133.4	124.1 136.7	3.7 4.5	-149.9	Lazard Bros. & Co. Ltd. Raeburn Investment Trust	Ordinary 25p	31/8/79	4.05	168.5	175.0 126.3	5.0 . 4.4	
51.2 7.9	Northern American Trust	Capital Shares	31/8/79	3.03	166.3 133.6	166.3 137.6	3.3	‡38.9	Romney Trust	Ordinary 25p	31/8/79	3.00	123.8	159.4	4.6	
131.1 62.2	Scottish Investment Trust	Ordinary 25p Ordinary 25p	31/8/79 31/8/79	2.533	99.4 79.1	104.7 81.5	2.4 3.6	11.2 19.8	Canadian & Foreign Invest. Trust St. Andrew Trust	Ordinary 25p Ordinary 25p	31/S/79 31/8/79	4.20 4.90	155.6 158.4	163.3	4.5	1
105.6 50 3	Scottish United Investors	Ordinary 25p	31/8/79 31/8/79	1.5 7.2	242.5	250.4	7.0	97.8	Scottish Eastern Investment Trust Scottish Ontario Invest. Co	t Ordinary 25P	31/8/79 31/8/79	*\$2.90 -2.40	85.9 83.9	88.9 85.3	3.2 3.0	
3.8	Shires Investment Co	Ordinary Joh	31/8/79 31/8/79	9.7336 6.3	152.3 238.3	153.3 244.7	7.1	23.9 <b>5</b> 5.9	Securities Trust of Scotland	Ordinary 25p	31/8/79	3.525	114.4	123.8	4.0	
42.4 29.5	Technology Investment Trust	. Ordinary 25p	31/5/79 31/3/79	3.10 5.1	147.1 171.1	148.3 172.5	4.4 4.5 7.2	‡47.4	Murray Johnstone Ltd. Caledonian Trust	Ord. & "B" Ord. 25p	31/8/79 31/8/79	*2.10 *1.90	104.1 97.3	107.5 100.1	4.8 4.4	
76.7 22.3	United States & General Trust	Ordinary 25p	31/8/79 31/8/79	6.83 4.05	265.0 · 117.9	271.9 122.3	7.2 3.6	‡69.5 ‡17.1	Clydesdale Investment Trust   Glendevon Investment Trust	. Ord. & "B" Ord. 25p	31/8/79	2.10 *1.95	128.2 106,1	131.6 106.1	5.4 4.2	
86.1	United States Debenture Corpn Do. Do	Conv. Loan 1993	31/8/79	£5.00	£129.60	£134.50	£3.90	‡7.1 ‡77.9	Glenmurray Investment Trust Scottish Western Investment Co	Ord. & "B" Ord. 25p	31/8/79	*1.70	81.4	84.8	3.6 5.4	
<b>\$115.7</b>	Baillie Gifford & Co. Scottish Mortgage & Trust	Ordinary 25p	31/8/79	3.9	149.2 69.1	151.6 69.7	4.4 2.0	‡26.2.	Second Great Northern Inv. Trus	t Ord. & " B " Ord. 25p	ł	<b>*2.25</b>	112.7	116.2		
‡56.8 ‡15.2	Scottish Mortgage & Trust Monks Investment Trust Winterbottom Trust	Ordinary 25p Ordinary 25p	31/8/79 31/8/79	1.85 5.6	277.3	290.0	7.5	22.1	Ashdown Investment Trust Do. Do	Ordinary 25p	31/8/79 31/8/79	4.60 £4.75	189.4 £132.60	195.9 £137.10	6.7 £4.70	
	Baring Bros & Co. Ltd	•	13/9/79	1.9	76.3	80.0	1.8	6.9	Australian & International Trus Broadstone Investment Trust	d Ordinary 500	31/8/79 31/8/79	3.35 5.70	115.3 202.2	115.3 209.7	7.0 7.8	
43.1 22.7	Outwich Investment Trust Tribune Investment Trust	Ordinary 20p	28/8/79	1.8	87.1	87.2	3.2	29.9 52.8	<ul> <li>Continental &amp; Industrial Trust</li> </ul>	. Ordinary 25p	31/8/79 31/8/79	7.20 5.50	282.1 235.6	292.1 241.4	6.7 9.6	4
16.8	City Financial Administration Ltd	. Ordinary 25p	14/8/79	3.35	223.6	226.7	6.2	30.0 ‡13.7	Trans-Oceanic Trust	(indinary 25p	31/8/79	3.80 £5.00	143.8 £129.00	146.3 £131.60	5.3 £4.80	
46.0	East of Scotland Invest. Managers Aberdeen Trust	; Ordinary 25p	31/8/79	3.567	127.6	134.1	2.6		Do. Do. Stewart Fund Managers Ltd.		•		ļ .		28	
62.7	Edinburgh Fund Managers Ltd.	Ord. & "B" Ord. 25p	31/8/79	≈1.55	62.2	64.3	1.5	76.8 9.8	Scottish American Investment Co Scottish European Investment Co	Ordinary 50p Ordinary 25p	31/8/79 31/8/79	3.25 1.60	121.4 54.5	123.5 54.5	0.7	b
16.9 13.9	Crescent Japan Investment Trus	(,Ordinary bup - Ordinary 250	31/8/79	1.55 1.3 4.0	181.7 122.0	181.7 124.4	11.2 2.4	112.5	Touche Remnant & Co Atlas Electric & General Trust	Ordinary 25p	31/8/79	2.25	90.9	93.8	1.3	- 4
8.8	Do. Do. Wemyss Investment Co.	Conv. Loan 1995/2000	31/8/79 31/8/79	£5.50 12.5	£154.90 381.6	£158.00 381.6	£3.00 . 8.9	33.0 32.9	Bankers' Investment Trust	Ordinary 25p	31/8/79 31/8/79	2.87 2.75	78.1 93.4	52.9 95.9	1.4 1.8	i a
77.7	Electra Group Services Ltd.  Electra Investment Trust	Ordinary 25p	31/8/79	5.8	152.3	152.3	2.6	45.9 30.8	City of London Brewery	Deferred 25p	31/8/79 31/8/79	3.26 4.25	88.6 - 164.0	92.8-	0.3_ 3.2	6 A-
289.3 39.2	Globe Investment Trust	Ordinary 25p	31/8/79 31/8/79	5.6 6.25	167.2 130.1	167.4 133.0	3.5 0.8	16.5 192.4	C.L.R.P. Investment Trust Industrial & General Trust	Ordinary 25p	31/8/79 31/8/79	2.1 2.15	99.6	104.0 \$1.6	1.7	-
	F. & C. Group Alliance Investment Co		31/8/79	3.75	151.8	156.2	1.9	42.0 56.0	International Investment Trust Sphere Investment Trust :	Ordinary 25a	31/8/79 31/8/79	2.94 4.0	106.9 166.7	112.4 171.3	1.5 3.4	
22.1 23.9	Cardinal Investment Co.  Do. Do.	Deferred 25p	31/8/79 31/8/79	3.40 £6.00	127.8 £138.00	131.7 £142.20	2.9 £3.10	71.5 39.1	Trustees Corporation	. Ordinary 25p	31/8/79 31/8/79	6.0 2.1	217.5 80.0	223.2 82.2	2.8 1.3	
, 100.7	F. & C. Eurotrust Foreign & Colonial Invest. Trus	Ordinary 25p	31/8/79 31/8/79	2.2625	† 116.3	120.5	3.0	‡11.9	Williams & Glyn's Bank Ltd. Sizewell European Invest. Trust	i ·	31/8/79	1.80	100.6	100.6	0.9	:5
193.7 30.9	General Investors & Trustees James Finlay Inv. Management Ltd	Ordinary 25p	31/8/79	4.50	161.1	165.4	3.2	2.7	Atlanta Baltimore & Chicago West Coast & Texas Regional	. Ordinary 10n	31/8/79 31/8/79	0.75	67.0	67.0 \$4.0	2.1 2.9	ľ
1.8	Provincial Cities Trust		31/8/79	1.78	37.6	37.6	-	3.4 12,8	Safeguard Industrial Investments	1	29/6/79	1.10	84.0	1		
7.2	Gartmore Investment Ltd.	Income 50p	31/8/79	10.0	102.3	102.3	ļ ,-	5.3	City Financial Administration Ltd.		31/8/79	1.0	111.9	113.5	2.0	
26.4	Do. Do	Capital 50p Ordinary 25p	31/8/79 31/8/79	0.5 1.9	296.6 65.6	296.6 68.0	1.4 1.3 1.7	24.0	General Funds Investment Trus	Ordinary 25p	30/8/79 30/8/79	5.45	117-4 258.4	260.3	110	* 2
29.4 8.3	English & Scottish Investors Group Investors	Ordinary 25p	31/8/79	^2.65 2.2 0.75	111.6 97.7	117.4 101.1	2.2	85.6	Drayton Montagu Portfolio Mngm Drayton Premier Investment	t. <sup>1</sup>	31/8/79		227.4		5.4	
5.6 11.0	London & Gartmore Invest. Trus London & Lennox Invest. Trust	st Ordinary 50p Ord. & "B" Ord. 25p		n2.0	96.9 73.4	101.6 75.7	2.2 2.6 2.2	0.0	Do. Do	Conv. Loan 1993	\$1/8/79	7.40 £7.50	240.9 £160.60	250.7 £167.10	£3.60	$\mathcal{A}_{\mathcal{C}_{+}}$
24.5 11.5	London & Lomond Invest. Trust London & Strathelyde Trust	Ordinary 25p	31/8/79 31/8/79	2.8 1.6	109.6 62.5	112.4 66.5	1.9 1.9	73.7	Drayton Consolidated Trust	Ordinary 25n	31/8/79 31/8/79	£7.50 5.20	£161.20 □ 181.7	£167.80 194.4	£3.60 3.8	1
13.9	Meldrum Investment Trust Gartmore Invest (Scotland) Ltd.	Ordinary 25p	31/8/79	2.1	69.0	69.0	0.1		Do. Do	!" A " Conv I a 1994.		£7.50 £6.50	£155.90 £156.90	£162.00 £163.00	£3.20 £3.20	
73.0 18.3	Scottish National Trust	Ordinary 25p Ordinary 25p	31/S/79 31/S/79	3.90 2.85	203.5 145.5	207.2 149.4	6.8 5.3	52.1	Do. Do	M:Ordinary 25n	31/8/79 31/3/79	£6.50 5.0	£159.90 173.9	£166.10 179.0	£3.20 3.3	, <b>j</b>
ı	John Govett & Co. Ud		1	•		]	2.5	15.3	Do. Do. English & International Trust	iOrdinary 25p	31/8/79 31/8/79	£6.25 3.80	£139.10 127.4	Г143.20 133.7	£2.70 3.0	
85.7 12.8	Rorder & Southern Sickhidrs, Ts General Stockholders Inv. Trust.	Ordinary 124p	31/8/79 31/8/79	1.7 2.3	83.1 156.4	84.6 167.6	6.7	8.7	Do. Do	Conv. Loan 1986	31/8/79 31/8/79	£7.00 9.0	£154.40 320.2	£162.00 336.6	£3.70	
\$16.1 62.9	Govett European Trust	Ordinary 25p Ordinary 25p	31/8/79 31/8/79	1.8 3.0	74.5 130.1	74.5 133.9	1.0 3.8	7.3	British Industries & Gen. Inv. Ts Do. Do.	C Deferred 25p	31/8/79	3.80 £6.50	139.6 £159.50	143.4 £163.90	11.2 4.8 55.50	i.
‡62.7	Stockholders Investment Trust .	Ordinary 25p	31/8/79	2.35	131.7	136.4	4.3	6.6	Drayton Far Eastern Trust	Ordinary 25p	31/8/79	1.025	48.1	48.1	2.6	A A
‡21.3	Berry Trust	Ordinary 25p Conv. Loan 1993	31/8/79 31/8/79	1.0625 £4.25	100.2 £145.30	100.2 £145.30	0.6 £0.80	2.8 5.7	City & Foreign Investment Co Montagu Boston Investment Trus	st Ordinary 10p	4/9/79 4/9/79	0.875	69.0 57.2	69.0 57.2	3.2 1.4	
‡21. <b>9</b>	CT Japan Investment Trust	Ordinary Zop	31/8/79	2.0	200.0	199.6 £123.70	0.9 £0.50	11.4	East of Scotland Invest. Managers Dominion & General Trust	Ordinary 25p	31/8/79	9.0	246.6	256.3	8.1	, La
8.8	Do. Do Northern Securities Trust	Ordinary 25p	31/8/79 31/8/79	£8.50 +.0	£124.00 184.3	189.9	0.1	30.1	Pentland Investment Trust	¹Ordinary 25p	31/8/79	5.0	161.1	165.5	5.3	
<b>126.1</b>	Hambros Group Bishopsgate Trust	Ordinary 25p -	31/8/79	6.95	290.7	300.6	5.3		INT TO TABLE PUBLISHED 17th A Monthly: East of Scotland Investmen	_	Tract	:				1
5.0 51.5	City of Oxford Investment Trust.	Ordinary 25p Ordinary 25p	31/S/79 31/S/79	3.85 4.1	111.1	114.5 164.5	4.4	Col. 1 should read 43.6, Col. 6 should read 120.42, Col. 7 should read 126.87. Schroder Wagg Group, Westpool Investment Trust Ordinary								
6.7	Rosedimond Investment Trust . Henderson Administration Ltd.	. Cap. Shares 25p	31/8/79	=	139.0	139.0	U.3		ld read 139.1 and Conv. Loan Col. 7				<u> </u>	1 To 1		
			:		1 400 5	1015										

131.7

138.5 79.3

79,2

203.8 123.1

124.8

3.8 0.3

2.0 2.6 1.6

1.2 0,5

on "B" share conversions.
(a) Cols. 1, 5. 7 Listed investments are valued at

Listed investments are valued at mid-market prices; unlisted at directors' valuation; both include 100 per cent' of any investment currency premium after taking into (a) Col. 5 account, where appropriate, the premium on any surplus or on any shortfull of foreign currency assets against furnion currency leases.

126.7

110.5

193.8 120.3

127.0 122.3 91.8

\$2.00

1.65 2.80 2.02

3.18

6.87 4.25 4.57 4.74 3.33

31/8/79

31/8/79 31/8/79

31/8/79

31/8/79 31/8/79

**31/8/79** 

31/8/79 31/8/79

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Ord. & "B" Ord. 25p;

Ordinary 25p

Ordinary 25p

Philip Hill (Management) Ltd.

City & International Trust ....

Lowland Investment .....

English National Investment ..... Prefd. Ord. 25p

General & Commercial Inv. Trust Ordinary 25p General Consolidated Inv. Trust... Ordinary 25p

Philip Hill Investment Trust ..... Ordinary 25p

Moorgate Investment Co. Ordinary 25p Nineteen Twenty-Eight Inv. Trust Ordinary 25p

Do. Do. ..... Defd. Ord. 25p

Witan Investment

22.0 7.3

21.8 12.0 25.0

\* Applies to Ordinary/"A" Ordinary only. † Company (b) Cols. 1, 6, 7 Alt revenue account items are (f) Cols. 6-7 will announce vear-end or interim results shortly. † Change in the prior charges since the previous (c) Cols. 1, 6, 7 No account has been taken of any (g) Col. 8 published liqure. § Includes special dividend as Adjusted for scrip issue. at Adjusted for rights issue. xSee note (h) below. • Not directly comparable with previous published figure. B Dependent (d) Cols. 5-8 Amounts per share/stock unit or per £100 Convertible Loan Stock. of investments.
Amounts per share/stock unit or
per \$100 Convertible Loan Stock.
Column 5 precisely stated; columns (h) Cols. 6-8 Column 5 precisely stated; columns 6-8 to nearest one-tenth of a pomy per share and 10p per £100 Convertible Loan Stock.
Divident is the last declared annual dividend or tim forecast, excluding imputation credit. Interest on loan stocks is stated gross of income tex.

BY KENNETH MARSTON, MINING EDITOR

national mining finance and industrial group reports a rise in first half 1979 net earnings to 66.2m, or 19.5p per share, from 65.4m in the first half of 1978. The previous year's total mounted to £11.4m, equal to 5.5p per share. An interim dividend for the

irrent year is declared of 9p id it is stated that the payment designed to narrow the gap tween the sizes of interim and all dividends. Because of the evious change in accounting te Selection Trust paid an ex-ptional two interims, each of 1, plus a final of 10.844p for

he latest rise in operating its is attributed principally to ter earnings from North Sea and the Amari metal and stics stockholding group bled with better prices for the base metals and first in-me from the drillship egional Endeavour." Revenue im the Australian Mount Arman iron ore project was fuced by a strike in the second

#### comment

this stage earnings of Selecon Trust are less dependent on se-metal prices than are those

Sciection Trust's immediate outlook appears to be better because of the onset of income from the Agnew nickel mine in Western Australia, possible sales of stockpiled nickel from the Spargoville mine, another useful contribution from North Sea Gas, perhaps a slightly better perormance at Mount Newman and continued good income from the

on those now reported and our earlier forecast

ONDON'S Selection Trust inter- share seems still to be a reason- and employment benefits of able expectation. At 540p to show a yield of 54

per cent on last year's dividend Selection Trust shares are still worth picking up "on a dull day" for their long-term growth pros-pects in new mining operations that have yet to reach their pro-duction potential; the next to come fully on stream, with possibly an earlier first dividend payment than may be generally expected, could be the Unisel gold mine in South Africa (Selection Trust is a partner with Union Corporation here) which is expected to reach full production in November

#### Sth. Australia seeking to enrich uranium

The newly-elected South Australian Liberal Government wants to see any urantum enrichwants to see any urantum enrichment plant for Australia sited in its state, reports James Forth from Sydney. The S.A. Mines and Energy Minister, Mr. Goldsworthy, said yesterday that negotiations with the Federal Government had already started and that talks with an overseas and that talks with an overseas uranium enrichment consortium

without the profits of would be held in November.
Writnesday but waraed of the mossibility of lower metal prices in the current feasibility of building an enrichment plant in Australia.
Selection Trust's immediate because of the onset of income

West German consortium of the feasibility of building an enrichment plant in Australia.

Potential partners in the project were said to be the ritish-Dutch-west German consortium of the feasibility of building an enrichment in January ordered a study of the feasibility of building an enrichment consortium of the feasibility of building an enrichment in January ordered a study of the feasibility of building an enrichment consortium of the feasibility of building an enrichment consortium or the feasibility of building an enrichment consortium of the feasibility of building an enrichment consortium or the feasibility of Urencop and Japan and France.
The previous SA Labour

government originally favoured an enrichment plant within the state, but subsequently statched to comply with federal labour policy calling for a moratorium on uranium mining and export continued good income from the important \$3 per cent holding in Anax.

In all, Selection Trust's second half cernings could show some until adequate safeguards were met. The new \$A\$ government has already indicated that it is in favour of uranium mining.

Mr. Goldsworthy said that

Mr. Goldsworthy said that achieved in the first six months advisers of the previous state of 1979 will be maintained in the reported and our earlier forecast. Government prepared a report second half. The shares were afficially searnings of 42p-44p per last year outlining the economic 220p yesterday.

uranium enrichment and locating potential site near Redcliff, on Spencer Gulf.

According to Mr. Goldsworthy the report contained important financial and technical data which on his advice was being brought up to date and would be discussed in November with officials of the Urenco-Cented

enrichment consortium.

He claimed the report favoured uranium enrichment in South Anstralia but was suppressed for political reasons by the former Government,

There has been talk of locating a possible enrichment plant in the Northern Territory while the Queensland and Western Australian Governments have also expressed interest. "We are expressed interest. "We are negotiating with the Federal Government and hope we will win the race to establish the plant in South Australia," Mr.

#### Tronoh boosts its pay-out

THE MALAYSIAN tin-produc ing Tronch Mines is boosting its dividend distributions for 1979. A further interim is now declared of 80 sen (17.3p) following one of a similar amount which was announced in May this year. For 1978 there was only a single payment of 25 sen Thanks to the higher price of tin, which outweighed the effects on earnings of lower production. Tronoh's first half profits have risen to M\$6.79m (£1.47m) com pared with M\$4.8m in the same period of last year. The latest dividend distribution

amount to M\$4.95m. Tronoh's tin concentrate production for the first eight months of the current year amounts to 1,437 tonnes compared with 1,621 tonnes in the same period of 1978. However, the company expects that the level of profit

## Leyland Paint recovering but may not match 1978

A STRONG recovery towards the demonstrated that even the f956,000 previously. Turnover of end of the period was not suffi- buoyant DIY market is vuiner- the engineering and steelfound-cient to offset earlier losses at able to common problems such ing group was higher at £10.3m, Levland Paint and Wallpaper, as the transport strike, severe against £10.17m. and taxable profits for the six winter weather and a strong The loss was months ended June 30 1979 were pound. The Blundell-Permoglaze severance payments halved at £582,000 compared with £1.15m previously.

Turnover in the first half went improve its first half profits, but shead from £15.08m to £17.11m. it is not in the wallpaper field, Mr. P. W. A. Simmonds, chairman, says the encouraging up-turn towards the end of the first half has been maintained, and although the directors anticipate a satisfactory second six months, the outcome for the year as a whole is unlikely to match that of the previous year—profits for 1978 were a record £2.55m (£1.73m).

1978 6030 15,077 11,677 3,450 1,316 168 1,148 599 22 Extraord, credit ... 

The chairman explains that export sales were affected for six weeks by the transport disrup-tion. Home credit sales also suffered due to the prolonged winter which held back work on maintenance and new building programmes.

Rapidly increasing raw material costs, and the strength of sterling, "have tended to de-press margins," he states. He adds that the retail division traded satisfactorily, and has been increased by the acqui-sition of Beckwith and Webster, which has a chain of 13 thous.

Stated earnings per 25n share are 1.8n (3.5p). The interim dividend is effectively unchanced at In net and directors forecast a total for the year of not less than 30-last "ear's total was equal to 3.036350.

#### • comment

The news from Leyland Paint and Wallpapers is bad, but it was not a great surprise to the market, which sent the share price 20 down to 520 yesterday. With drop of nearly 50 per cent in pre-tax profits, this company has

group faced these same problems earlier this year, and was able to improve its first half profits, but which accounts for half of Leyland's turnover and where export problems were severe. The board to show more than a modest profit, the objective is to conis predicting lower earnings this tinue to adjust the company to year and some analysts suggest

#### dividend of not less than 3p. which would visid a prospective 84 per cent. The fully taxed p/e meanwhile, could stand at 8.5. First half downturn at A. & C. Black

a drop to around 12m is in order. The board also promises a total

As a result of unusually difficult trading conditions, taxable profits of A. and C. Black, publishing concern, were down from £138,000 to £77,000 for the first six months of 1979, on marginally higher turnover of £1.21m against £1.17m.

Trading was adversely affected in the UK by the severe reduc-tion in school and library budgets and in export markets by the rise in sterling.

The directors do not see much improvement in the pattern of trading of the publishing com-pany during the second half, although the fishing book club is expected to make a small profit

during the period. After tax of £31,000 (£66,000). half-yearly net profits were re-duced from \$72,000 to \$45,000. The net interim dividend is lifted from 2p to 2.8p per 25p share—last year's total was 5.39p on £340,000 pre-tax profit.

#### George Blair

HIT BY the lorry drivers' strike the .bad winter in the second balf. George Blair and Company incurred a loss of \$15,000 in the year to March 31, dends will absorb £157,000 1979, compared with a profit of (\$55,000).

The loss was struck after severance payments of £123,000

£149,030 (£43,000). Mr. I. L. Blair, chairman, now says that although the current year's results cannot be expected

#### Park Place up 57% to £0.68m

meet changing trading condi-

PRE-TAX profits of Park Place Investments rose by 57 per cent in the year ended June 30, 1979 from £430,000 to a record £675,000, and although the directors express some caution as to the likelihood of this rate of growth being maintained, they expect further progress in he current year. And the dividend for the year

is more than doubled to 2.8p (1.1167p) per 10p share with 3 1.8p final. This compares with the 1.5p final forecast at the time of the one-for-nine rights issue.

Earnings are shown to have jumped by 66 per cent to 10.1p (6.1p) per share.

Profits after six months had risen to £229,000 against £14f,000, and the directors were confident that the progress-being made by all divisions of this training, publishing, etc., group would continue. Turnover for the year improved to £2.91m (£2.04m). Pretax figure was struck after interest of £58,000 (£71,000) but

(£149.000) The swellable balance came through at £505,000 (£255,000). after an extraordinary dehit last time of \$35,000—of which divi

hefore tax of £167,000

#### Croda International Half year progress report

23

by Sir Frederick Wood, Chairman

The early months in the year were severely affected by the haulage strike but a good second quarter helped to bring about an increase in both sales and trading profits for the six months. Exports from the UK were up in value by 17% over the same period in the previous year.

The proposed interim dividend of 1.5p per share is almost 40% more than the 1978 interim and a similar increase in the final dividend can be expected if the current level of activity

interim Unaudited Profit Statement for the Six Months ended 1 July 1979

	Miths to	6 Mths to	Year
13	uly 1979	2 July 1978	1978
	£000	£000	£000
External Sales	<u>127,553</u>	115,533	234,130
Trading Profit	9,068	8,301	16,270
Surplus on Disposal of Investments		774	774
	9,068	9,075	17,044
Net Interest Payable	1,436	969	1,927
Profit before Taxation	7,632	8,106	15,117
UK Taxation	1,184	2,587	2,409
Overseas Taxation	1,058	749_	1,374
Profit after Taxation	5,390	4,770	11,334
Minority Interests and Preference			
Dividends	33	40	67
	5,357	4,730	11,267
Unrealised Exchange Gains (Losses)_	(28)	10	(410)
Net Profit after Taxation available			
to Ordinary Shareholders	5,329	4,740	10,857
Amount absorbed by			
Ordinary Dividends	<u> 1,580</u>	1,151	2,565
Profit Retained	3,749	3,589_	8,292
Earnings per Share of 10p	-		
Basic	5.10p	4.52p	10.76p
Fully Diluted	4.60p	4.06p	9.67p
Ordinary Dividends			
-pence per share (net)			
Supplementary Interim 1977	_	0.018058p	0.018058p
Interim 1978	_	1.081942p	1,081942p
Final 1978			1,346346p
Announced 20 September 1979			
Interim 1979	1.5p_		

The interim dividend for 1979 will be paid on 6 December 1979 to shareholders registered on 9 November 1979.

The results of Jordan Chemicals Limited, recently acquired, are not

20 September 1979

Croda International Ltd Cowick Hall Snaith Goole North Humberside

#### **BIDS AND DEALS** AGB plans move into America

quoted market research company, is planning to expand into North America through an

said details would be announced pleted. The acquisition could be expected to contribute between follow and 20.2m a year to group

he foresaw the need to raise not toe distant future.

1979 the company carned profits of 12.24m pre-tax—an increase of 63 per cent. The new publishing interests contributed 10.63m at the trading level. The dividend total is 4.4p (2.55p), In his annual statement the

chirman warns that the adver-

betier position than most to bear

AGE Research, Britain's only expects profits will once again mated £0.2m surplus on the net Meeting, 76, Shoe Lane, ECA, are subject to the agreement.
Allowing for this, and the retail October 15 noon,

AUDIOTRONIC ON

Audiotronic Holdings has pubwhen negotiations were comsale of Laskys, its retail sub-sidiary, to Hardman Radio, a Group, Audiotronic estimates the total cash value of the sale at bery's acquisition programme, 132m, and states that a loss of the foresaw the need to raise more than £500,000 from the re-some additional capital in the tail business is expected in the six month period to August 31,

of last month. Under the terms of the sale,

losses, the adjusted net tangible assets are put at £2.2m.

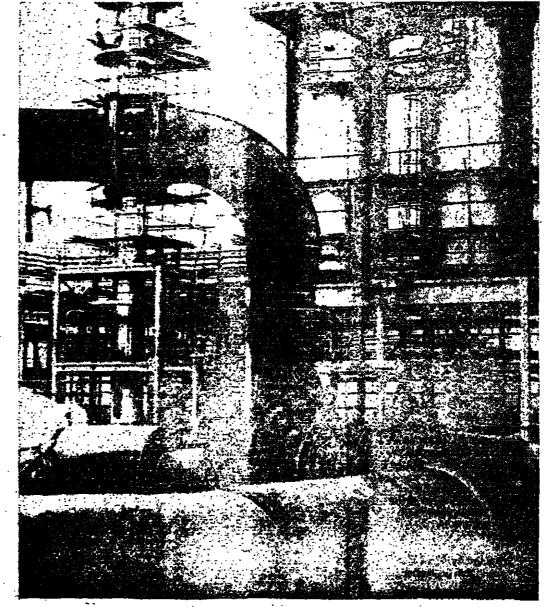
Henry Norrington and Son i selling the seed business of Parnell Long and Co. to Bland-ford and Webb (Holdings) for Sand One Profits of around £200,000. Parnell have been about ten per cent of group profit. Proceeds will be used to reduce

PARKER TIMBER

of the take-over approach by Harrisons and Crosfield, Morgan Grenfell and Company, advisers to Parker, confirmed that agreement was near.

are being asked for their approval. A further announce-

# Ofutie without pidsics



Our £17 million investment in new PVC resin plant, on stream this year, will eventually

The market for processed plastics has enormous growth potential.

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with the addition of Storeys in Lancaster. We are introducing new moulding and extrusion materials for high technology plastics. And a £17m plant (our largest ever single internal expansion project), which will eventually double our PVC resin output, comes on stream this year.

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P. 21. 9.

she die Mr. Bernard Audley, chairman,

profits, he said. In order to maintain the com-

For the year ended April 30, 1979

Fut he says AGB is in a dewnturns and he Audiotronics will receive an esti-

Shareholders are also told that the disposal of Laskys will "materially alter" the nature of

tising and marketing industry

The company, which had sales has been argreed with the board in 1978 of £15.7m, has outstand- and now certain major family feronomic conditions in the company year.

Salesment.

The company, which had sales has been argreed with the board and now certain major family ing hank borrowings of £3.15m, shareholders not on the board of which £3.05m were secured as are being asked for their

LASKYS DEAL

the group. The future dividend policy of Audiotronic will be dependent upon the ongoing group's profits, according to the

H. NORRINGTON

Profits of borrowings.

Shares of Parker Timber were suspended yesterday in the wake

It is thought that a proposal

## Weeks Petroleum offshore deal

The permit is located 250 km Ashore from Australia and is discent to the NT/I'2 permit in Pich Weeks also has an interest. In the U.S., the company has bought federal leases through specitive bidding in the Santa Sarbara Channel area offshore california and in offshore Texas

The three California leases, totalling 16,560 acres, are on resourc prospects in the Santa

forthern Territory portion of the Timor Sea, offshore northfast Australia. Subject to fovermment approval, Weeks as 20 per cent interest in the str/P25 permit area which considers about 4.2m acres.

Other members of the operating group are Cities Service, Lappol. Norcen and Monarch.

The permit is located 250 km Japanese fishing unions.

At an extraordinary general

At an extraordinary general meeting of National Carbonising yesterday, shareholders unani-mously approved the purchase of an additional im Weeks Petroleum shares.

SPILLERS-DALGETY Roth sides of the Spillers-Dalgety bid battle have been encouraged by coundings of their shareholders before the 170m share offer from Dalgety

Weeks Petroleum has acquired of 5,750 acres each are next to of its shareholders, Spillers dis-in exploratory interest in the Galveston block A-131 field, covered that just under half had forthern Territory portion of in which Weeks also has an made up their minds about the offer and 86 per cent of these had decided to reject Dalgety's terms. Of the uncommitted responses, \$1 per cent indicated that they would probably reject it and concluded that the pro-posed takeover would be bad for

> The resolution to increase Dalgety's capital, subject to a vote at an extraordinary meeting on Monday, also appeared to be finding support. Despite veiled objections put forward on Tuesday by a Case Committee of the National Association of Pension Funds, the Merchant Navy Officers Pension Fund, the second largest pension fund investor in Dalgety, has given its blessing to the capital raising roposals necessary to go ahead

by a three-to-one

Barbara producing trend. The Weeks interest is 5.56 per cent. From a sample comprising 600 with the bid. The two offshore Texas tracts

#### REPORTS TO MEETINGS 35% sales increase for MFI

POLLOWING distorted sales ment distribution warehouse of the Canadian subsidiary being figures in June and July due to around 600,000 sq. ft, which held to little more than break-the VAT increase, business in would give cubic storage capater by the continued weakness to the various of the Canadian dellar around continued weakness of the Canadian subsidiary being the canadian subsidiary being the continued weakness of the canadian subsidiary being the ca Agust at MFI Furniture Group city of about 21 times that at of the Carndian dollar.

Magnet and Southerns
Diagnet its normal pattern and present. dring the first quarter, budget Wich showed over a 35 per cent giod last year. Mr. Arthur uthon, the chairman, told the

Despite some forecasts of a ered that group prospects chairman reported as follows:

hained good and he anticified a significant improvement

Sir Anthony Percival said the profits during the current

With a view to making pro-on for future growth, the up was negotiating to acquire up for future growth, the He was encouraged that the objective of putting the decision up was negotiating to acquire traditional magazine and book taking processes closer to the state of land. During exporting business was once market place, had increased the business and countributing a quarter of directors ability to anticipate and to build a new replace.

The group's branch opening lich showed over a 35 ner cent perordine to plan and five rease above the corresponding branches had been opened since the beginning of its financial year. The chairman anticipated hat 75 branches would be open respite some forecasts of a by the year-end, after the closure in apending in consumer of two older and smaller units.

At other annual meetings, the distribution of the consumer of the consumer of the consumer of two olders and the consumer of two olders annual meetings, the

company was back on course after the disruptions of last are after the disciplinations of the said it was the intention the Board to raise the divided by a least in line with the first five months of the current year had already passed that a view to making profit he previous 12 months. He was encouraged that the traditional magazine and book

Oxford said profits for the first

five months of the current year had shown an increase in excess of 25 per cent over the same period last year, while sales were 16 per cent higher. The figures had fulfilled the confidence expressed in his annual statement. Unigate—Mr. John Clement reported that the milk, food and transport group continued to trade strongly and expressed optimism about the future and confidence in its ability to con-tinue to make good progress. The group was starting to reap

the benefits of its capital spending programme, he stated. That plus the restructuring of the husiness with the primary objective of putting the decision-taking processes closer to the market place, had increased the

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> 13,584.92 £13,684.92

Application has been made to the Council of The Stock Exchange for admission to the Official List of all the Participating Redeemable Preference Shares of the Company issued and available to be issued. Particulars of the Company are available in the Extel Statistical Service and copies of such particulars may be obtained during business hours on any weekday (Saturdays and public holidays excepted) up to and including 8th October, 1979

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Cazenove & Co., 12 Tokenhouse Yard, London EC2R 7AN.

21st September, 1979

£100,000.00

To: M. G. Barrett, Managing Director, Arbuthnot Securities Limited. 37 Queen Street, London EC4R 1BY. Telephone: 01-236 5281

year ended 30th June 1979 are summarised below,

Please send me a copy of the particulars of Arbuthnot Sterling Fund Limited.

#### Interim Results and Dividend The unaudited consolidated results for the halftogether with comparative figures in respect of the

Results (unaudited)	Six mon	Year ended	
Turnover	30.6.79 ₤ million 147.4	30.6.78 £ million 95.0	31.12.78 £ million 207.7
Reschue:	,		
Operating profit -	12.6	9.5	20.6
Profit on realisation of investments	3.0	2.0	3.4
Dividends	3.0	2.2	5.1
Interest and other revenue	2.8	24	5.5
	21.4	16.1	34.6
Expenditure: Administration, technical and			
property expenses	2.3	2.1	4.4
Exploration	2.0	1.9 (	4.0
Interest payable	4.4	2.5	6.0
Exchange differences	0.3	(0.1)	0.4
	9.0	6.4	14.8
Profit before taxation	12.4	9.7	19.8
Taxation	6.0	4.1	7.9
Profit after taxation	6.4	5.6	11.9
Minority interest	0.2	0.2	0.5
Profit attributable to Selection Trust Limited	6.2	5.4	11.4
Cost of interim dividend	2:9	1.6	
Total dividend for preceding year (20.844p per share)			6.6
Earnings per share	19.5p	16.9p	35.8p

Turnover included a greater volume of investment dealing, amounting to £41 million in the half-year compared with £8 million in the first six months of

The increase in operating profit is attributable principally to higher earnings from North Sea gasand the Amari group of subsidiaries, as well as to improvements in mining revenues arising from higher prices for some metals. In addition, the figure includes for the first time income from the drillship "Regional Endeavour". These additionsto operating profit more than offset a reduction in revenue from the Mt. Newman iron ore project. occasioned by the prolonged strike which occurred during the second quarter of the year.

A reorganisation of the Group's interests in Australia was effected on 31st August 1979 when. under arrangements previously announced in June 1979, shareholders in Seleast Exploration Limited and Seltrust Mining Corporation (Pty) Limited had their holdings exchanged for shares in a new public company in Australia, Seltrust Holdings Limited. The new company, which is listed on the Australian stock exchanges and in which the Selection Trust Group retains an interest of 78.8 % is currently undertaking a rights issue of shares to raise AS30 million (before expenses) of new finance for the further development of its activities.

As announced recently, in Canada arrangements have been made for the development of a mine on the Detour Project area in Quebec. Seleo Mining Corporation Limited, a Group company, has

acquired the 50% participation interest in the project of Pickands Mather & Company and has formed a new joint venture with Hudson's Bay Oil and Gas Company Limited under which Hudson's. Bay will, inter alia, contribute the bulk of the funds required to complete the development of the B-Zone mineral deposit and earn a 331 % interest in the project. Selco will retain the remaining 663 % interest in the project.

Interim Dividend At a board meeting held today the directors declared an interim dividend of 9p per fully paid share in respect of the year ending 31st December 1979. The dividend will be paid on 5th November 1979 to shareholders registered at 5th October

In determining the amount of this dividend, the directors have had regard to their previously expressed intention of achieving a closer relationship than in the past between the amounts of the interim and final payments. It will be recalled that for the preceding year the Company paid two interim dividends, each of 5p per share, and a final dividend of 10.844p to make a total distribution for the year of 20.844p per share. However, the payment of two interim dividends for that period was exceptional and arose from an adjustment of the timing of dividend payments to take account of the change in the Company's financial year-end in

> Selection Trust Limited 20th September 1979

## Croda lower despite good Hestair upturn trading—interim up 40% —set to recover

AFTER MEETING higher in- profit of £14.34m. terest costs and without the benefit of the £774.000 surplus on sale of investments seen last time, first half 1979 taxable profit of Croda International fel! from £8.11m to £7.63m.

Companies and Markets

The group was severely affected by the haulage strike in the early months but a good second quarter left the six months sales and trading profit higher

the chemical processor reached £127.55m (£115.53m) with the UK export content up 17 per cent. Interest costs rose from £966,000

providing the current level of activity continues. Last time a 2.428238p total was paid from providing the current level of sactivity continues. Last time a cluding the share profits) and a through higher at £165,000 compared with £138,000.

Attributable surplus for the half-year emerged at £5.33m

#### comment

The haulage strike at the start of the year cost Croda Interna-tional over fim, sterling another £0.2m, and last year's profits were inflated by a £0.8m on the sale of investments, so a £0.5m drop in the group's interim pre-Turnover for the half year by tax profits is reasonable enough. In addition, the dividend has export content up 17 per cent. been raised by around 40 per Interest costs rose from £868,000 cent and Croda feels that it to £1.44m.

A lower tax charge of £2.24m on an inflation accounting basis. In common with other chemical flowshowing a rise to \$1.145.5201 10p showing a rise to 5.1p (4.52p).

The net interim dividend is stepped up almost 40 per cent to 1.5p (1.081922p) and a similar increase in the final is expected providing the current level of activity continues. Let time a cluding the share profits and a

reasonable enough support given the uncertainties ahead. The deferred shares stand at 29p op above their all-time low.

#### Davenport Knitwear increases

Kaitwear, manufacturer knitted garments, rose from £267,000 to £344,000 in the first half of 1979. For the whole of last year, the surplus reached a record £700,297.

Half-yearly profit was struck after interest received up from £31,000 to £63,000 and increased depreciation of £45,000 (£29,000). After tax of £179,000, against

### Brown Boveri Kent slips as sales growth slows

RECESSION IN the main industries it serves, the strengthening of sterling and higher interest rates undermined performance at Brown Boveri Keni (Hoidings) for the first half of 1979. Growth in sales was slowed to \$578,000 and taxable profit slid by £500.000 to £3.06m.

Though trading prospects continue to be a cause of concern the overall backing of orders could permit turnover in the rest of the current year to be at a significantly higher level, says Mr. J. G. Vaughan, the chairman.

However, the dispute in the engineering industry is bound to have an adverse effect, he adds. The sole asset—apart from a small cash balance—of the group. which is itself a subsidiary of BBC Brown Boveri and Co.. is its investment in George Kent where attributable profit for the period was £2.25m (£2.37m). Brown Boyeri's sales for the half year were £40.72m (£39.84m)

an exchange deficit of £1.02m (£476,000 surplus) on consolida-tion of overseas assets and

Mr. Vaughan says that at a comparable exchange rate turn-over would have been 6 per cent higher and profits would have been more materially improved. national dispute in the engineering industry in Italy hit the performance of the pany's subsidiary there.

#### o comment

If the National Enterprise Board sells its 20 per cent stake in Brown Boveri Kent later this year, the timing will probably be unfortunate. Yesterday's announcement of a 14 per cent drop in pre-tax profits left the share price 2p down at 41p. This and profit was struck after depresshare price 2p down at 41p. This ciation up from £882,000 to values the NEB stake at £4.45m—£1.03m and interest of £823,000, compared with £8.14m at this f1.03m and interest of £323.000, compared with £8.14m at this compared with £594,000.

Tax, with SSAP 15 on deferred tax applied took £378.000 (£1.08m) leaving stated earnings

values the NEB stake at £4.40m—particular level of the final dividend. The final last year amounted to 1.48115p.

The group activities include banking and manufacture of timber products.

ing orders hard to find, while the ing orders hard to find, while the difficulties of a strong pound are being compounded by the engineering strike. Higher sales in the second half may, however, lift pre-tax profits to around £6.5m for the year, which would give a fully taxed p/e of 7.7 A maintained final dividend would produce a yield of almost S per cent, which is some consolation.

#### Antony Gibbs sees lower result

First half results of Antony Gibbs Holdings have been better than the same period last year but various factors have comfor 1979, the directors report.

The dividend is maintained at 0.715p but this should not be taken as an indication of any particular level of the final divi-dend. The final last year

## 8% shortfall at Garton Engrg.

Against a difficult trading background, Garton Engineering reports an 8 per cent reduction in pre-tax profits from £487,000 to £430,090 for the six months ended June 39, 1979, on higher turnover of £3.59m against \$6.03m.

During the period, interest charges increased substantially. severe disruption occurred in the earlier months due to the road haulage strike, and bad weather affected the company's deliveries and customers' requirements.

Mr. A. B. Garton, the chairman, reports that prospects should have been improved pecause of the reduction in manufacturing capacity in the home-based bolt trade, which took place last year and which is still continuing.

He adds that should the national engineering dispute be national engineering dispute be effectively raised from 0.8924p resolved quickly, followed by to 1.25p. The directors intend normal working in manufacture to pay a final of 1.875p—last resolved quickly, followed by ing industry, then he would be more optimistic with regard to second-half results.

The net interim dividend is stepped up from 3p to 3.15p per 10p share, with an additional 0.15p to be paid in respect of 1978 on ACT reduction - last

ear's total was 6.365p. Half-yearly loan stock interest was down from £27,000 to £12,000. Tex took £224,000 (£243,000) and after an extraordinary debit of £8,000 (£20,000 credit), the available surplus decreased from £244,000 to £198,000. Interim dividend credit), the available

The group manufactures and distributes precision engineering

#### Sterling near £0.5m midway

An increase in taxable profits from £404,000 to £492,000 for the first half of 1979 is reported by Leadenhall Sterling, the British and Commonwealth Shipping group subsidiary which makes forklift trucks and medical equipment.

The directors expect full-year results to show an advance on last time, when the pre-tax sur-plus reached £836,000.

The net interim dividend is year's final was equivalent to 1.6784p. Turnover for the half year was

In the previous full year, up from £4.35m to £5.16m. After profits slipped from £1.05m to tax of £256,000 (£171,000), earnings per 25p share are given as 5.3p (5.2p).

and Co. for £827,076 cash in July.

#### **HAMPTON AREAS BUYS MORE GEEVOR SHARES**

Shares in the Cornish tin producer Geever rose 5p more to the U.S. and has diversified steel 145p yesterday, a two-day gain of 17p, following news that two large shareholders in the com-

pany, Hampton Gold Mining Areas and South Africa's Union Corporation had increased their respective holdings. Hampton Areas has increased its holding to 14.34 per cent from

just under 5 per cent by the urchase of a further 280,000 Geevor shares, while Union Corporation's stake has been raised to 17.16 per cent by acquisition of 20,240 shares. Yesterday both Hampton Areas

and Union Corporation told the Financial Times that the share Sales for the purchases were simply additions to their respective investment portfolios.

Hampton Areas said that although the short-term outlook for tin, and indeed base metals in general, is somewhat uncerprospects with confidence.

#### Record income for Azcon

RECORD sales and operating income for the year to June 30 are announced by the Consolidated Gold Fields group's wholly The group bought T. H. Dixon -owned Azcan. Sales have climbed to U.S.\$462m (£214m) from \$384m while operating income is up to \$30m from \$16.8m in 1977-78.

As a result, net income comes out at \$11.8m against \$5.5m. Azcon is one of the largest independent steel distributors in

#### RESULTS AND ACCOUNTS IN BRIEF

EXPLORATION CCHAPANY—Profits for six months ended June 30, 1979 1237,316 (1274,911, before tex 1709,571 (1123,420). Group assets, taking investments at market value, 17,33m (16,42m at year-end), interim dividend 0.7p (0,5525p) noti-no further payment will be recommended. JARDINE JAPAN INVESTMENT TRUST —For first half 1279 gross tevenue (138,717 (1407,483). Pre-tay recomme (1312,50) (1210,529). Tax 1165,550 (1107,126). Not asset value 120.6p (217,3p) including 100 per, cent investment surrency promum of 10,4p (66.1n).

(oc.16).
STBRLING TRUST—Special imporim dividend 1p per share payable October 30, 1979, in Indians on register September 28, 1979, following payment

30, 1979, to holders on register Septembar 28, 1979, following payment of arrears of dividend from Shell, BP, and Unitever.

DIPLOMA (electronic component distributor, special steel stockholding, etc.)—Results for June 30, 1979, year already known. On C.C.A. basis, pretax profits 55.45m (24.24m) compared with historical 66.05m (24.82m). Group hased assets 15.05m (24.93m), net current assets 15.05m (24.93m), net current assets 11.73m (270.33m). Sharoholdura lunds 122.91m (150.44m). Chairman says that despite pensimistic view taken of general trading conditions, Board considers company's prospects remain good. Meering, Great assem Hotel, EC, October 12. nocn.

RAYBECK (Issauen retoler and manufacture). Bastom Hotel, EC. October 12. nocen.

RAYBECK (Ibsalon retailer and manufacturer)—Results for year ended April 28, 1979, already reported. Fixed assets, £25.4km (£14.26m). Not current assets, £25.4km (£14.26m). Not current assets, £5.05m (£5.07m) Chairmon says acquisition of Bourne and Hollingsworth has strengthaned groups not asset value and now is in 97p 1450 in 1978), both figures incorporating prolesional property valuetions net included in balance sheet. Meeting, Savoy Hotel, WC, October 22 at noon REUNION PROPERTIES—Gross rontal income six months to Jone 30, 1975, £1.781,900 (£1.47,000) including associated companies £189,000 (£254 gro). Pro-tex profit £1.094,000 (£254 gro). Tax £567 (96. £262.000). ELECTRIC AND GENERAL, 1909ST-MENT—Net income for three months to

August 31, 1979, £110,155 (£89,145), after all charges including tax of £54,295 (£49,336). Earnings per share 0.61p (0.49p).

GLASGOW STOCKHOLDERS TRUST—

GLASGOW STOCKHOLDERS TRUST— Following special delerred dividend from Shell Transport and Trading on October 1, 1979, special dividend of 0.4413p per ordinary stock unit of 25p to absorb total dividend receivable of £49,931. Dividend will be peid on October 19, 1979. Octobar 19, 1979.

HAMPSON INDUSTRIES (engineering, industrial cleaning)—Results for year to March 31, 1979, reported July 31. Group fixed assets £1.51m (£1.38m), net current assets £1.25m (£1.02m). Bank overdraft increased by £1.12m (£0.36m) decrease). Chairman says overdraft is seasonal and at time of his writing has been cut by some £1m. He says sales and profit are setisfactory for first quarter and hopes progress will continue. But engineers' stake now affecting bactones. Meeting, Birmingham, November 7 et noon.

#SSAM TRADING (HOLDINGS)—

November 7 at noon.

ASSAM TRADING (HOLDINGS)—
Results for March 31, 1979 year repurted August 29, Associate E2.03m (E1.85m), nat current liabilities tö8.895 (E20.992 assets). Bank overdnit E202,754 (E29.052). Meeting, Victoria House, WC, October 9, noon. WHITWORTH ELECTRIC (HOLDINGS)

WHITWORTH ELECTRIC (HOLDINGS)
—Following are amended figures
because of reduction in tax charge,
formation of the control of t

(£33,600). Earnings per 25p share .3p). COPYDEX (maker of adhesives, hdusehold products and security devices)—Interim dividend 1p (0.75p). Profit helf year to June 30, 1979, £119,000 (£112,000), before tax £62,000 (158,000).
BLOCKLEYS (facing bricks maker)—
Intenm dividend 1.5p (1.1587a). Turn
over, half year to June 30, 1979
£1.124,500 (£387,400). Profit £34,500
£100,000) before tax £49,500 (£52,500).
Earnings 2.85p (3.02a) per 20p share.
G.T. JAPAN INVESTMENT TRUST—
Final 5m making 7m 20m kear to June

G.T. JAPAN INVESTMENT TRUST—Final 5p making 7p-(2p) year to June 30, 1979, Total income £1,613,000 (E969,527). Pre-tox profit £756,435 (202,412). Tax £383,843 (E39,791). Earnings per share undiluted 7.25p (2.05p) and diluted 7.12p (2.83p). Net asset value per share 195p (214p) easuming full conversion of loan stock. EUPLORATION COMPANY—For the six months ended June 30, 1979, profits 1237,316 (£274,901) before tax £109,571 (£128,420). Interim dividend 0.7p (0.5525p) net—no further dividend for this year will be recommended. Grounds 

#### BACK IN the black with a £55,000 pre-tax profit for the first half of 1979/80, Hestair says it has stabilised its situa-

tion, completed reorganisation and prepared the platform for Last year a lower surplus of: £423,000 for the first six months was followed by a £764,000

second half loss. Mr. David Hargreaves, the chairman, now says: "We are satisfied that there is a good profit potential in all our business and in the long term, therefore, our confidence is

undiminished." The interim dividend is being passed but, he says it is the Board's present intention to pay a final. For 1978/79 a total of 3.5p net was distributed, including a 2.3584p interim.

A steady improvement anticipated overall for the second half of the current year with strong performance from SOS Bureau and profits from consumer products. recovery is seen in farm equipment but the turnround at Hestair Eagle is taking longer to complete and it will be the middle of 1980 before these two companies produce adequate profits, Mr. Hargreaves says.

There was no tax charge this time, compared with £212,000; leaving stated earnings 25p share at 0.3p (1.3p) for the half year ended July 31, 1979.

After an extraordinary loss of £204,000 (£325,000) and interim costing nil (£431,000) there was a deficit of £149,000 (£553,000). Cash is well under control and borrowings are contained well within available facilities. Liquidity is being further improved by sale of surplus property, contracts have been exchanged for £1.8m, and further sales are due before year-end,

stantially and consumer products declares attributable earnings were profitable. The special and a dividend for the year, vehicles division, however, was hit by the collapse of its main room for some re-rating.

#### **BOARD MEETINGS**

The following companies have not fled dates of board meetings of the Stock Exchange. Such meetings are usually held for the purpose of considering dividends. Official indications are not evaluable at to whether dividends are interime of finals and the sub-divisional shown below are based mainly on less year's timerable. TODAY interime. Briddewester Estates. E.C.

year's timetable
TODAY
Interims—Bridgewater Estates, E.C.
Casos, Nail Engineering, Tramae
Jourdan, Laporte Industries, Liberty,
G. W. Sparrow, Thomson Organisation,
Ward White, Winn Industries,
Finals:—Adwost, Goodman Brothers
and Stockman, Thomae Wolker.
FUTURE DATES
Interims:—Alpine Holdings
Assoc, Book, Publishers
Sep. 27
Bontalls
Jersey Gen Investment Trust, Oct. 17
Semuel (H.)
Willighteen Warburton Sep. 27
Willighteen Warburton Sep. 27
Willighteen Warburton Sep. 27
Finals:—
Finals:— Raine Engineering ...... Oct. 3

export markets, new product introductions and final closure costs of its Leeds factory.

#### comment Yesterday's (albeit minimal) pre

tax profit from Hestair suggests that the group is beginning to recover from the bammering it suffered at the end of last year.
The process is a painful one,
involving substantial asset sales
designed to bring gearing down to about 45 per cent by the year end; the exploration of new markets to compensate for the collapse of Middle-East orders; and dependence on the employment bureau and consumer pro-ducts to make up for losses in agricultural equipment and special vehicles, the previous star performers. These trading losses amounted to £790,000 in the first half. Bringing the different divisions back into balance may be a long han! but the market accepted today's results and the omission of ar the chairman states.

Mr. Hargreaves explains that the share price holding unthe group's return to profits changed at 34p. The price is came in the second quarter. SOS already less than half its high point of the year and if Hestair

#### Christie-Tyler expects expansion at mid year

HOPEFUL OF a first half tional depreciation, and a advance for 1979-80, Mr. George £200,000 (£90,000) monetary Williams, chairman of Christie- working capital adjustment less Tyler, says that for the longer term he expects the furniture group to secure an increasing share of available trade.

The new trading year started with some of the problems that remained as the aftermath of the industrial upsets and the bad weather of the early months of 1979, he says.

More recently, the increase in the rate of VAT initially boosted sales — as consumers bought to beat the increase — but subsequently sales have fallen back, although the company's order books are currently higher in volume than at this time last

Many of Christie - Tyler's materials are oil-based and it will be a year of much sharper cost increases than seen in 1978 Sales for the year to April 30,

1979, showed a 44 per cent rise by value to £69m and a 26 per cent growth in volume. reported July 12 with nearly all group companies showing improvement taxable profit expanded to a record f4.22m (£1.81m).

On a current cost basis along the lines of ED 24, this total is cut to £3.57m (£1.43m) by £225,000 (£58,000) extra costs of sales £325,000 (£300,000) addi-

working capital adjustment less a £100,000 (£65,000) gearing adjustment.

Cash at year end stood at £1.53m (£0.81m) and total borrowings had climbed to £1.41m (£0.41m). The net total

stepped up to 6.5p (4.7967p). An increase in authorised share capital of £200,000 to £1m is

#### The Kingdom of Thailand

US. \$30,000,000

Floating Rate Notes 1984 With reference to our advertisement published on 17th September, 1979, please note the Coupon Amount-

should read U.S. \$66.04 Manufacturers Hanover Limited

Agent Bank

The Management Board announces, that with the approval of the Supervisory Board, an interim dividend of Dfls. 3.50 per Dfls. 20,— ordinary share will be paid for the financial year 1979.

For shareholders and holders of ordinary share certificates, coupon number 30 of their securities will be payable at the head offices of the following banks with effect from the 1st October 1979.

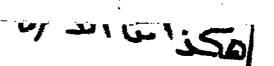
Amsterdam-Rotterdam Bank N.V. Algemene Bank Nederland N.V. Nederlandsche Middenstandsbank N.V. Pierson, Heldring & Pierson N.V. Bank Mees & Hope N.V. Nederlandse Credietbank N.V. N.V. Slavenburg's Bank Bank Van der Hoop Offers N.V. at Amsterdam, The Hague and Rotterdam.

For each Dfls. 20. — ordinary share or ordinary share certificate the interim dividend of Dfls. 3.50 will be payable on the above-mentioned coupon,

less 25% dividend tax. Holders of Bearer Depositary Receipts (BDRs) will receive their dividend through the intermediary of the institutions where the coupon sheets of their share certificates are deposited on the 13th

September 1979 at the office's closing time. Copies of the report for the first six months of 1979, published on the 13th September 1979, are available at the offices of the above-mentioned banks and the undersigned.

.The Hague, 14th September 1979. Churchillolein 1, ENNIA N.V., Management Board. Amsterdam. 14th September 1979. Keizersgracht 558, N.V. Administratiekantoor Christiaan Huygens.



The pound opened at \$2.1460-\$2.1470, and fell sharply to \$2.1325-2.1335, reflecting the pessimistic view taken of the British economy in the Bank of England quarterly bulletin. British economy in the Bank of England quarterly bulletin. Nkr Short covering in a thin market from helped sterling recover however, and it was also assisted by rumours of a possible rise in Nkr Minimum Lending Rate. This proved incorrect, and after the pound rose to a best level of \$2.1690-2.1700, it declined once more to around \$2.1450, but improved at the close to \$2.1605-82.1615, a rise of 1! cents on the day.

sharply to DM 1.7745 against the rency opened at Y223 and fell to D-mark from DM 1.8066 at the a low point of Y221.80, before fixing, the lowest point since edging up on buying from last November 1, when the U.S. trading houses and commercial currency was fixed at DM 1.7735 corporations settling import before President Carter's dollar

Monetary System were firm, with the D-mark rising to L454.42 from L450.07, and the Dutch guilder to L412.45 from L409.19. The Swiss franc was also strong. but sterling declined with the dollar to L1,737 from L1,743.40.

dollar to L1,737 from L1,743.40.

OSLO—The dollar fell to NKr 4.9485 against the Krone from NKr 5.0080 on Wednesday. This was the first time that the U.S. currency had been under NKr 5 since early January. On January 2 the U.S. currency stood at NKr 4.9760 and at NKr 4.8020 on November 1 NKr 4.8020 on November 1 NKr 4.8020 on Rovember 1 NKr 4.8 before the dollar support pack

proved at the close to \$2.1605.

2.1615, a rise of 1! cents on the y222.35 against the Japanese yen from y223.67; in hectic FRANKFURT—The dollar fell trading yesterday. The U.S. cur-

+1.37 +1.03 -0.73 +0.91 +0.90 +0.22 -1,21

EMS EUROPEAN CURRENCY UNIT RATES

THE	POUND	SPOT	AND	FORWARD
	1 00:12	A1 A.	7115	. 0,,,,,,,

Sept. 20	Day's . spread	Close	One month	% p.a.	Three months	p.3.
U.Ş.	2.1325-2,1700	2.1606-2.1615	0.35-0.25c pm	1,67	0.88-0.78 pm	1.53
Canada	2-4860-2-5290	2.6225-2.5235	0.65-0.55c pm	2.85	1,80-1.76 pm	2.77
Nothind.	4.17-4.25	4.20-4.21	134-345 pm		47 <sub>e</sub> -37 <sub>s</sub> pm	4.16
Belgium	60.75-61.75	61.25-61.35	10c pm-par	0.98	25-15 pm	7.31
Denmark	10.91-11.07	11.00%-11.01%	141-171-ore dis	-17.43	24-27 dis	<b>-9,2</b> 6
freisnd	1.0120-1.0235	1.0215-1.0225	24-34p dis	-3.41	63-79 dis	-2,30
W. Ger.	3.78-3.85	3.82-3.83	27e-17apf pm	7.45	712-612 pm	7.32
Portugal	105,50-107,50	106.15-106.45	30-80c dis	<b>6.2</b> 1	130-230 dis	-6.77
Spain	140,65-143,00	142,60-142,70	65-115c dis			-8.55
itely	1,717-1,746	1,740-1,741-	¼ lire pm-1½ dis		3-6 dis	-0.52
Norway	10.51-10.70	10.85-10.66	3-1ere pm	2.25	6 <sup>1</sup> -4 <sup>1</sup> 2 pm	2.06
France	8.89-9.04	9.0074-9.0174	13-3c pm		31,-21, pm	1.39
Sweden	8.93-9.07	9.01-9.02	34-14cre pm	3.00	5-3 pm	1.77
Japan	472-482	475'-476'	3.00-2.65y pm	7.12	8.55-8.20 pm	7.04
Austria	27.25-27.75	<i>27.</i> 50- <i>27.</i> 55	20-10gro pm		45-35 pm	5.81
Switz.	3.38-3.46	3.414-3.424	4-3c pm	12.29	71-10 pm	12.28
Dele	laa !- <i>!-</i>	manuscalled a day			90.62.004	-

THE DOLLAR SPOT AND FORWARD

	<del></del>				
Spread	Ciose	One month			7 <u>.</u> p.a.
2.1325-2.1700	2.1605-2.1615	0.35-0.25c pm	1.67	0.88-0.78 pm	1.61
	2.1130-2.1160	7-0.80c pm	5.11	2,40-2,25 pm	4.40
	1.1683-1.1688		0.77	0.31-0.27 pm	0.95
	1.9526-1.9545	0.42-0.32c pm	2.27	1.37-1.27 pg	2.70
28.40-28.65	28.42-28.45	1-3c dis			-0.39
5.0940-5.1105	5.0950-5.0965	7.50-8om dis	~18.25	13-13.50dis ·	-10.40
1.7660-1.7790	1.7865-1.7680	0.82-0.72pf pm	5.23	2.57-2.47 pm	5.70
49.15-49.30	49.18-49.28		-7.80	80-136 dis	-9.34
		35-65c dia	-8.18	110-130 dis	-7.27
		7.10-1.60 lire dis	-2.01	4.50-5.25dis	-2.42
			0.48	0,80-0.40 pm	0,48
			-0.72	0.20-0.28dis	-0.23
			0.72	0,30-0.10 pm	0.19
			5.04	3.05-2.90 pm	5,41
					4.01
1.5780-1.5910	1.5785-1.5805	1.44-1.39c pm	10,75	4,40-4.36 pm	
	2,1325-2,1700 2,1120-2,1170 2,1120-2,1170 1,1655-1,1690 1,5620-1,9710 28,40-28,45 5,0340-5,1705 68,05-68,05 805,75-807,40 4,8730-4,8420 4,1670-4,1720 4,1740-4,1910 220,00-221,80 12,70-12,81	spread Close 2,1325-2,1700 2,1605-2,1615 2,1120-2,1170 2,1130-2,1150 1,1655-1,1690 1,1683-1,1688 1,9520-1,19710 1,9525-1,9546 1,9520-1,105 9,0590-6,0595-5 1,7560-1,7790 1,7655-1,7680 8,15-49,30 49,169-30 49,169-49,30 49,169-49,30 49,169-49,169-49,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4,17406-4	spread Close One month 2.1325-2.1700 2.1605-2.1615 0.25-0.25c pm 2.1720-2.1770 2.1130-2.1165 1-0.80c pm 1.1655-1.1690 1.1683-1.1688 0.09-0.08c pm 1.9520-1.37710 9.252-1.9545 0.42-0.32c pm 28.40-28.85 28.42-28.45 1.25c dis 1.7660-1.7790 1.7655-1.7690 0.82-0.72pf pm 1.89.15-49.30 49.18-49.28 25-40c dis 1.7660-1.7790 308.50-907.00 35-56 dis 1.7604-1.720 4.1625-4.1650 0.400-re pm-per 4.1870-4.1720 4.1625-4.1650 0.400-re pm-per 4.1870-4.17910 1.745-4.1755 0.35-0.15ore pm 127.0-12.181 12.72-12.731 4.40-3.90gre pm	Spread Close	Spread Close One month p.s. months 2.1325-2.1700 2.1605-2.1615 0.35-0.25c pm 5.11 2.40-2.25 pm 1.1625-1.1620 1.1623-1.1688 1.0-80c pm 5.11 2.40-2.25 pm 1.5520-1.3710 1.9252-1.9545 0.42-0.32c pm 5.11 2.40-2.25 pm 28.40-28.85 28.42-28.45 1.36 dis 1

CURRENCY RATES				CURRENCY MOVEMENTS				
Sept. 19	Benk rate %	Special Drawing Rights	European Currency Unit	Sept. 20		Morgan Guaranty changes		
Sterling	12 14 33 9 11 5 8 91 101 7 8	0.805206 1.89819 1.51252 16.8985 37.6213 6.75383 2.34531 2.58015 6.48291 1056.75 5.48706 85.7052 5.47252	0.647093 1.38672 1.61567 18.0482 40.1906 7.20401 2.50594 2.765351 1127.76 309.932 6.92528 91.6137 5.84225 2.25273	Sterling U.S. dollar Canadian dollar Austrian schilling Beiglan franc Danish kroner Deutsche mark Swiss franc Guilder French franc Lira Yen Based on trade we Washington agreen (Bank of England	84.0 80.5 153.5 115.5 116.7 156.2 204.7 125.0 99.9 55.4 129.2 ighted chaent Dece	mber, 197		

OTHER MARKETS

Sept. 20	£	•	} }	Note Rates
Argentina Peso	3158-3158		Austria	2714-2814
Australia Dollar	1.9145-1.9245	9.8860-0.8905	Belgium	6412-5512
Brazil Cruzelro	62.17-63.17	28,75-29,25	Denmark	11.05-11.15
Finland Markka	8.27-8.89		France	9.00-9.10
Greek Drachma	78.80-79.10		Germany	3.82-3.92
Hong Kong Dollar		5.0500-5.0520	Italy	1,770-1,820
Iran Rial	151.20-169.30	70.783	Japan	477.487
Kuwaii Dinar (KD)		0.2767.0.2768	Natherlands	4.20-4.30
Luxembourg Frc.		28.96-28.98		10.65-10 80
Malaysia Dollar			Portugal	103-110
New Zealand Dir.	2 1628 2 1725	1.0005-1.0060		14010-14310
Saudi Arab. Riyai,			Switzerland	3.42-3.52
Singapore Dollar.			United States	2.14-2.1519
Sth. African Rand		0.8235-0.8285	Yugoslavia	4412-4612

		_
<b>EXCHANGE</b>	<b>CROSS</b>	RATES

Sept. 20	PoundSterling	U.S. Dollar	Deutschem'k	Japan'se Yen	FrenchFranc	Swiss France	Dutch Guild'r	Italian Lire	Canada Dolla	ın8elgian Franc
Pound Sterling	1.	2.161	3.825	476.0	9,008	5.418	4,205	1741.	2.523	61.30
U.S. Dollar	0.463	1.	1.770	220.3	4,168	1.581	1,945	805.6	1.168	28.37
Deutschemark	0.251	0.565	1.	124.4	2,355	0,893	1,099	455.2	0.660	16.0è
Japanese Yen 1,000	2.101	4.540	8.036	1000.	18,92	7,180	8,864	3658.	5.300	128.8
French Franc 10	1.110	2,399	4.246	528.4	10.	3.794	4,668	1933.	2.801	68.05
Swiss Franc	0.293	0,632	1.119	139.3	2,636	1.	1,230	509.4	0.738	17.94
Dutch Guilder	0,238	0.514	0.910	115.2	2,142	0.813	1,	414.0	0.600	14.58
Italian Lira 1,000	0,574	1,241	2.197	273.4	5,174	1.963	2,415	1000.		35.21
Canadian Dollar	0.396	0.857	1.516	188.7	8,570	1.865	1;667	690.1	1.	24.30
Belgian Franc 100		3.525	6.240	776.5	14.69	5.575	6.850	2840.	4.116	100.

**EURO-CURRENCY INTEREST RATES** 

Sept. 20	Sterling	U.S. Pollar	Canadian Dollar	Dutch Guilder		West German Mark	French Franc	Italian Lira	Agian S	Japanese Yen
7 days' notice. Month three months six months one year	13%-13% 13%-14% 14-14% 145g-14; 141g-1478 14-14%	115g-117a 1154-13 12,12 12,13, 12,15, 12,14-1212	101c-111c 101c-111c 1114-115c 115a-121a 115a-121a 115a-121a 115a-121a	914-912 914-912 915 911 918 1018 918-1018 954-878	19-14 159-178 114-115 116-216 216-216 216-316	514-516 615-616 615-7 719-714 712-716 749-719	11 t-13 t- 12-12 t- 12-12 t- 12-13 t- 13-13 t- 13-1	9-11 18 <sup>1</sup> 4-14 <sup>1</sup> 4 18 <sup>1</sup> 4-14 <sup>1</sup> 5 14 <sup>1</sup> 4-15 <sup>1</sup> 4 15-16 16 <sup>1</sup> 4-16 <sup>1</sup> 4	11:-11: 12:-12: 12:-12: 1273.15 12:-12: 12:4-12:8	57812 6-2-759 6-2-756 714-758 713-736 654-714

Long-term Eurodollar two years 11½,11½ per cent; three years 11½-11½ per cent; four years 11-11½ per cent; five years 10½-11 per cent; nominol closing s. Short-term rates are call for sterling, U.S. dollare and Canadian dollare; two-day call for guilders and Swiss france. Asian rates are closing rates in

### INTERNATIONAL MONEY MARKET

# French rates steady

signs of stability yesterday in trading at 113-112 per cent, show-Paris, and at the regular official ing little change from Wednestender, the Bank of France day, bought first category paper at Bl 11; per cent. This compared the with a previous rate of 10; per were tent, but is very much in line from with the present money market intervention rates.

Call money remained at 114 per cent and while one-month funds rose to 111-112 per cent from 112-111 per cent, rates for longer term were unchanged at 111-112 per cent for three-month. and 113-12 per cent for six and

12-month money.
FRANKFURT—Call money fell sharply yesterday to 5.50-5.75 per cent from 5.80-6.00 per cent as did one-month money to 7.55-7.65 per cent from 7.75-7.85 per cent. The three-month rate was quoted at 7.85-7.95 per cent, compared with 7.90-7.95 per cent, while the six-month rate was leaver at 7.95.80 per cent against lower at 7.95-8.05 per cent against S.10-8.15 per cent. However, 12-month money rose from 7.90-8.00

There were no policy changes after yesterday's meeting of the central bank council, much in line with market expectations in view of the present strength of the D-mark against the dollar. NEW YORK — Treasury bill prices eased in early trading after Wednesday's sharp rise. The yield on 13-week bills rose to 10.27 per cent from 10.18 per cent and 26-week bills to 10.25

per cent from 10.17 per cent. The recent weaker trend in the dollar was seen as putting increased pressure on the Federal authorities to tighten credit still MOREY RATES

**NEW YORK** 

GERMANY

BRUSSELS-Deposit rates for

the Belgian franc (commercial) were quoted at 123-123 per cent from 123-121 per cent for one-month and 123-121 per cent up from 122-124 per cent for threemonth. The six-month rate rose to 12!-124 per cent from 111-124 per cent with one-year deposits at 11!-11: per cent against 11!-111 per cent previously. Interest rates have tended to edge higher since last Friday's announcement of a 2 per cent rise in the Danish bank rate. Since then the Belgian franc has once again found itself the weakest member of the EMS and the Belgian authorities may well consider further measures to help restore differentials.

ROME—The Italian authorities are to offer 2.5 trillion lire of five-year bills as from October 1, replacing maturities of 2 trillion. The expected yield of 13.70 per cent is slightly higher than previously, and is seen as part of the Treasury's plan to increase yields slightly on medium and long-term paper and to leave short-term maturities mainly

short-term matures unchanged.

AMSTERDAM—Interest rates were generally firmer yesterday with call money at 91-93 per cent compared with 91-93 per cent and one-month money rising to 91-93 per cent from 91-93 per cent. The three-month rate cent. The three-month rate stood at 10-104 per cent against 95-101 per cent with six-month money unchanged at 95-104 per

### GOLD Record level

tive, with the metal rising to \$380.00 at the afternoon fixing. and touching an all time high of \$384;387;

In Paris the 121 kilo gold bar was fixed at FFr 50,000 per kilo (\$373.34 per ounce) in the after-noon, compared with FFr 50,090 (\$372.94) in the morning, and FFr 51,300 (\$377.79) Wednesday

Gold rose \$13! to close at \$384-387, the highest closing level on record. It opened at \$375-378 and was fixed at \$375.35 in the afternoon.
In Frankfurt the 121 kilo bar was fixed at DM 21.175 (\$375.91). compared with DM 21.905 (\$376.99) previously. morning. Trading was again ac-

		old Bullion (fine ou	ngel	
۰	Close	£177.70-179.10	\$37D.374	(£172.4.174.4
	Opening ,	£174.90-176.30)	8372.376	£173.6-175.5
	Morning fixing \$375,35	(£175.561)	\$376.00	£175.259,
	Afternoon fixing,\$380.00	(£175,358)	S369.00	£172.189
		Gold Coins		
	Krugerrand, 5391-594	(£181-1821 <sub>2</sub> )	S377-580	(£1751 <sub>2</sub> .177,
	Mapleleaf,		4081-4131-	1001012:111)
•	New Sovereigns, \$99-101	(£4534.463 <sub>4)</sub>	595-97	(£44 L. 45 L; )
	King Sovs110-112	(51-52)	810912-11112	£51.52)
	Victoria Sovs \$1164-11834		'S116-118 -	£54-55,
	Fr20 NapoleonFFr410-435	(SF:155-165)	FFr415-425	(SFr160-165)
	50 pesos Mexico 5468-471		\$460-465	
	100 Cor. Austria, 5369-372		£362-365	
	\$20 Eagles\$488-493		<b>\$483-488</b>	
	\$10 Eagles\$252-262		£246.256	
	\$5 Eagles\$212-228		814-230	
		_		_

**UK MONEY** MARKET

Day-to-day credit appeared to Day-to-day credit appeared to be in short supply in the London money market yesterday and the authorities gave assistance by buying a small amount of cent and rose to 13;-13; per cent before coming back to 13-13; per number of corporation bills all cent later in the afternoon. Closing balances were taken in the region of 13;-13; per cent.

Discount houses were paying around 131 per cent for secured call loans at the start with closing balances taken between 12? per cent and 13 per cent.

The market was faced with a small excess of revenue transfers over Government disbursements and a small net take up of Treasury bills to finance. On the other hand, banks brought for-ward balances some way above

### LONDON MONEY RATES

Sept. 20 1979	Sterling Certificate of deposit	Interbank	Local Authority deposits	Local Auth- negotiable bonds		Company	Discount market deposits	Treasury Bills 9	Eligible Bank Bills o	Fine Trade Bills #
Overnight 2 days notice	, <u> </u>	15-1576	133 <sub>4</sub> -187 <sub>8</sub>	=		14	123,.1312			_
7 days or 7 days notice	·	13%-13Ta	137g-1414	1 - 1	145g	-	15 to 133,	Ξ	! = !	_
One month Two months	14, -187a	18 14 1	1418-141	15.143, 1478-1458	145e 146a	1458-1412	1852-13	15. 155	14 18-14-	145,
Three months.	144-1413	14.141 <sub>E</sub>	141g-14.1 137g-141g	1414-1873 1834-1838	145e 143e	1412-14.8		15;? 1512	14 .14 14,14	14,5
Nine months	13:1-1353	15 2-15 a	15 /k-1512	1354-1356	14 14 15):	Í =	=	=	13 <sub>16</sub> -13%	1378
Two years			18-13-	1539-13	1931	=	=	Ξ	= ;	=
Local Autho	este and fine	ace houses	Sauten deu	r' police or	4	E	Al 4	are less!		_

Local authority and finance houses seven days' notice ethers seven days fixed. \*Long-term local authority mortgage rates norminally three years 13-132 per cent; four years 127-133 per cent; five years 127-135 per cent. OBant bill rates in table are buying rates for prime paper. Buying rates for one-morth bank bills 137 per cent; four-morth trade bills 143 per cent.

Approximate selling rate for one-month Treasury bills 13 15-64ths-135 per cent; two-month 13 15-64ths per cent; three-month 132 per cent. Approximate rates for one-month bank bills 14-142 per cent; two-month 142-143 per cent; and three-month 143-143 per cent; one-month 143-143 per cent; and three-month 143-143 per cent; and three-month 143-143 per cent.

147-16 per cent.

147-18 per cent.

148-19 per cent.

149-19 per cent.

149-19

# 

### Another year of record sales, profits and earnings

Sales up 36% to £46 million Profits up 14% to £3,560,000

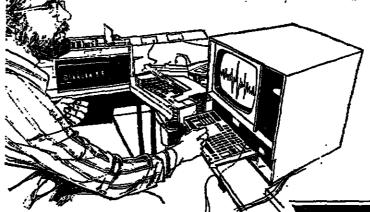
Earnings per share up 38% to 15.3p

Dividend up 19.8% to 7.25p gross per share-intention to pay 8.7p gross next year, a further increase of 20%

One for four rights issue to raise £4.7 million

Commenting on the rights issue and prospects the Chairman, Peter Curry, says:

"These additional resources will allow the group to pursue aggressively the opportunities that the rapid growth in demand for microprocessors has offered our distribution companies and at the same time progress actively the opportunities for further acquisitions within sectors where electronic technology has applications, particularly in Europe and the United States. The opportunities now available to us should ensure a satisfactory rate of growth in the coming years."



### **UNITECH LIMITED**

A group of companies marketing and manufacturing a range of electronic components and equipment.

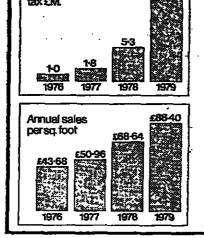
For a copy of the Annual Report giving more information please write to The Secretary, Unitech Limited, Pho

# LOCAL **BONDS**

Every Saturday the Financial Times publishes a table giving details of LOCAL AUTHORITY

BONDS on offer to the public

For advertisement details please ring B. Kelaart 01-248 8900, Extn. 266



# **RECORD** 1979 RESULTS

# Turnoverup 61% Pre-tax profit up 162% Salient points from the Cheirman's statement at the AGM:

- First quarter sales over 35% up on last year. Board's intention to increase dividend, at least
- in line with profitability.
- Five new stores opened since May 1979.
- Anticipate significant increase in profitability for current year.

20TH SEPTEMBER, 1979

These securities having been sold, this announcement appears as a matter of record only.

PRIVATE PLACEMENT

SDR 13,000,000

Nordiska Investeringsbanken (Nordic Investment Bank)

9½% Notes Due 1984

The following have agreed to subscribe for the above-named notes:-

Credit Suisse First Boston Limited

Kuwait International Investment Co. s.a.k.

Yamaichi International (Europe) Limited

# FOR SALE BY TENDER

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Freehold Block of Superb Mansion Flats (5 with vacant possession)

Closing Date for Receipt of Tenders 12 Noon • Tuesday • 9th • October 1979





NORTH AMERICAN NEWS

# Reliance forecasts growth as Exxon stands by bid

bid by Exxon, yesterday issued confident forecasts on profit-ability and business volume. With Exxon's bid still frustrated by Government anti-trust blocks, Mr. Charles Ames, chairman of the electrical and expected engineering company, said he

expected orders this year to be about 20 per cent higher than last year on a comparable basis. ending October 31 are now being is higher than the company had budgeted for and well up on the \$248.2m figure recorded in the same period a year ago. Yearend sales are put at \$1.3bn, compared with \$966m in 1978. Mr. Ames said that most of of Haughton Elevator. the company's activities had not

BY ROBERT GIBBENS IN MONTREAL

Bronfman family,

ended July 31, up 15.3 per cent

from \$93m or \$2.65 a share in

However, because of account-

\$55bn, up 12.4 per cent.

reports that net income from such taxes deferred for more operations was a record \$107.3m than six years need not be paid

or \$3.06 a share for the year and can be taken into income.

fiscal 1978. Sales rose to a peak earnings was a \$14.7bn debit \$55bn, up 12.4 per cent.

ing adjustments, final profit for Net income from operations 1979 was \$168.2m or \$4.79 a benefited from a 10 per cent

share, reflecting a \$75.6m tax growth in sales and earnings

credit arising from recently from North America, a 20 per

losses.

The exceptions were the Toledo weigh-scale division and the parts of the telecommunications business related to private

Mr. Ames said the company expected fourth quarter profits to exceed the \$1.04 a share fullydiluted earned a year ago. This is after excluding Haughton Elevator, sold earlier this year and the write-up of stocks held by Federal Pacific, which Reliance bought in March.

The fourth quarter estimate would indicate profit for the fiscal year in the \$4.75 to \$4.80 a share area, including a 75 cents a share gain on the sale

of Haughton Elevator. seeking to force Exxon to carry
In the next fiscal year Federal through the deal.

SEAGRAM, the world's largest able if stocks declined in sectors represented 42 per cent, distillers, and controlled by the monetary terms. But the new 35 per cent and 23 per cent

Another factor affecting final

RELIANCE ELECTRIC, the so far been affected by the Pacific would be "a real plus." object of a \$1.17bn takeover threatened economic recession. The maker of electric power distribution products was proving to be "a perfect tie-in."

The \$345m bank loans used to purchase Federal Pacific have reduced to around \$224m. The \$46m or so proceeds from sale of Haughton, \$55m fro ma private placement of Reliance preferred stock, and \$20m from operating funds have been paid against the debt. Reuter adds from Washington:

Exxon Corporation has agreed in a Federal court here not to take any action, directly or in-directly, to withdraw or terminate its offer to buy Reliance Electric for at least one more week. The agreement came response to a eRliance suit

Generally the improved results represented a good overall per-formance and improved profit

margins, the company said. Capital spending for the current

The first two months of the

June this year.

The decision to sell off the Alcan shares, only just revealed by the Ministry of Industry, was taken at a secret meeting of the Storting (Parliament) on June 6. It was a unanimous decision.
The sale was made through
Den Norske Creditbank, Nor-Seagram reports record profits way's largest commercial bank, at a reported price of \$39 per share, making the deal worth nearly \$41m. The shares are

### Fed approves merger of Texas banks

broker, on offer to investors.

now in the hands of a New York

Norway

1m shares

in Alcan

By Fay Gjester in Oslo

THE NORWEGIAN Government

has sold the block of just over lm shares in Alcan, the

Canadian aluminium concern.

to about 1 per cent of Alcan's

December 1974 and the rest in

sells its

By Our Financial Staff THE MERGER of First Security current year's operations con-tinue quite strong in North America and abroad. "We are National Corporation into First City Bancorporation of Texas has been approved by the Board of Governors of the Federal hopeful that fiscal 1980 will be enacted UK legislation. This cent gain from international another significant year. We Reserve System. The merger is scheduled for completion during the fourth quarter of 1979, if approved by the shareholders of First Security.

Under terms of the merger, First City will issue, 65 share of its common stock for each share of First Security outstanding at closing, or a maximum of 1,171,407 First City shares.

At June 30, 1979, First Security National Corporation had total assets of \$509.5m and total deposits of \$439.8m. First Security has ten member banks: five in the Beaumont area and five in the Dallas area. First City Bancorporation of

Texas is a 31 member statewide bank holding company with \$7.9bn in assets. It is the nation's 24th largest commercial banking organisation in terms of

INTERNATIONAL CAPITAL MARKETS

# DM Eurobond issuing activity up

A TOTAL of DM1.32bn-worth of manager of this bond, which has also has high funding needs currency and the new record foreign Deutsche-Mark bonds been priced at 991.

next month—expected to be of set by the gold price. foreign Deutsche-Mark bonds has been floated during the past four weeks in the Eurobond market: this is the highest figure since the record levels of new D-Mark issues witnessed last autumn at the time of the last dollar crisis.

The figure of DM1.32bn com-pares with a volume of new issues agreed by the German Capital Markets Sub-Committee which it acquired in 1966 when Alcan bought a 50 per cent stake in Norway's State-owned aluminium group, Aardal og Sunndal Verk (ASV). The holding, 1,050,522 shares, amounted DM750m. ated paper has enabled German announced on Monday, a banks to increase the amount of of which were expected. Norway subsequently bought back the ASV shares which it sold to Alcan—half of them in

gains of around 1 point in the secondary market, less than might have been expected in view of the large inflows into the D-mark in the foreign exchange markets. One factor behind this slow upward movement may be that until Wednesday afternoon, the Dmark sector of the bond market four weeks ago of around had suffered a bout of weakness
DM750m. Strong investor due to the high number of new demand for D-Mark-denomin- D-mark, foreign bond issues announced on Monday, not all

three of the scheduled issues The Capital Markets Sub-and to float a number of issues Committee, which was meeting The latest issue to be comin Frankfurt last night, was pleted is a DM100m private faced with a particularly deliplacement for the Asian Devecate task; while the demand. lopment Bank, which includes a for D-mark denominated paper bullet maturity of 12 years, coming from abroad remains day, with dealers discounting the total absence of buyers the Bayerische Vereinsbank is lead strong, the Federal Republic both the weakness of the U.S. from any large selling order.

been priced at 991.

Deutsche-Mark bonds posted the order of DM 1.5bn.

is encouraging foreign bor-

rowers to arrange D-mark-denominated bonds sooner rather than later. The foreign demand for D-marks yesterday was said by German bankers to have been the largest witnessed in many months.

In the straight dollar sector, prices appear to be following the New York bond mark They attempted to rally this morning, but fell back again yesterday afternoon after the New York market opened on a weaker note. In most cases prices were unchanged on the

The \$30m 15-year convertible Liferest rates in Germany for Nippon Seiko was priced at are widely expected to move par, with indicated conditions up again soon, and some otherwise unchanged; these in-German bankers say that this clude a coupon of 74 per cent. clude a coupon of 74 per cent.
The conversion price has been set by the lead managers Klein-wort Benson and Nomura at at Y224.48 for the U.S. dollar. The premium has been set at

4.63 per cent over yesterday's closing price of the Nippon Seiko shares in Tokyo, which was Y324. Sterling bonds continued to lose ground yesterday despite the currency's rise against the dollar. Since the beginning of up to three points: pressure on the prices is coming rather from

the total absence of buyers than

# Rapid rise in Euromarket outlets

reach a size of \$1,000bn by the end of this year, according to Mr. David Ashby, group chief Ashby. economist of Grindlays Bank. In a new study, the economist ever, that the startling geo-declined to 32 per cent, and . The credit will carry a margin estimates that the market in graphic growth of the Euro-Europe as a whole to 73 per tope cent above interbank creased in size from a gross markets in recent years should \$900bn at the end of 1978 to start to slow down. about \$950bn by mid-1979.

An impetus to the Euro-marker's growth has been provided by the recent round of oil price increases, which will wide create additional borrowing says. demands from the developing

deficits, according to Mr. recent years. The economist suggests, how-

countries outside the Organisa- available business has been Ashby says.

By the end of 1978, London's ing to bankers in Luxembourg,

cent. In contrast, the non-

THE WORLDWIDE Euro tion of Petroleum Exporting attracted to new market centres, The National Bank of Huncurrency market will probably Countries to finance their such as Bahrain, Singapore, gary is raising \$250m through reach a size of \$1,000bn by the enlarged balance of payments Hong Kong and the Bahamas in a 10-year Eurocredit being put share of the market had Reuter reports. declined to 32 per cent, and . The credit will carry a margin

offered rates for the first five art to slow down. European centres boosted their years, rising to 1 per cent for One of the most striking share from 17 per cent to 27 the remaining five years. features of the development of per cent between 1971 and 1978. Commerchank has extended the markets over the past. The newer market locations a \$100m five-year loan to Bank decade has been their ever can be expected to continue to of China, AP-DJ reports from widening geographic spread, he thrive and flourish, reflecting Frankfurt. The loan agreement says.

their advantages in terms of low was signed on Wednesday at their advantages in terms of low was signed on Wednesday at A steadily larger slice of taxes and regional contacts. Mr. the Commerzbank branch office

# Strong growth for Boston bank

relates to deferred income tax operations and a 10 per cent certainly should show improve

which ultimately would be pay- gain in oil and gas. These ment in earnings."

National Boston Corporation particularly strong. will lift its third quarter earnings by 37 per cent compared established in the first six \$2.20. In 1978, the dividend had months of 1979.

Mr. Richard Hill, the bank's

been increased by 12 cents.

"The bank is currently conchairman, added that First tinuing to open branches in the future. Boston would "come close to Far East and in South America, matching last year's overall in- but growth in Europe is being ably recover from the current crease" of 33 per cent. He limited to expansion of existing recessionary cycle in the second ascribed the slower growth rate branches," he said. "The only for the fourth quarter and the exception in Europe may be Prime rates might reach 134 per full year to the fact that the Italy, which is presently under cent by the end of this week

legislation provides that any respectively of total operating such taxes deferred for more earnings.

Mr. Hill said the bank is also Mr. Hill noted that in August planning to increase its efforts the Board had approved a divi- in leasing. The leasing operawith the same period last year, dend increase of 20 cents to tions in West Germany and maintaining the growth rate allow for a total dividend of France have been successful, and the board of directors has authorised the opening of a new unit in Belgium in the near

> "The U.S. economy will probquarter of 1980," Mr. Hill said.

### Amex pays \$54m for insurance unit

CHICAGO Student Marketing Corporation has rejected an offer from France's Mutuelles Unies of America for all its subsidiaries. Instead, it has entered into an agreement in principle with American Express's Fireman's Fund Insurance for the sale of its Interstate Insurance group unit for \$54m in cash. Mutuelles had offered \$52m

for all of NSM's subsidiaries. of liquidation on completion of

# National

NSM intends to enter a plan the sale of its insurance group to Fireman's Fund.

# AMC predicts

WASHINGTON -Mr. Gerald Mevers, the chairman of American ! lotors Corporation (AMC), expects the company to report fiscal years ending September 30, compared with \$2.6bn in the comparable period.

higher sales

to survive its dems. "Chrysler is Corporation current problems. going to make it," he told the National Press Club. "We have no feeling to the contrary." Although he said that AMC is opposed to "Federal intervention in the market place." he did not speak against aid for Chrysler, the No. 3 car

98هلوه هاستاس بياس وياوغال Food and restaurant group, ahead in the first quarter of its current fiscal year from \$19.2m or \$1.10 a share to \$24.7m or \$1.24, on sales of \$665.4m compared with \$462.6m previously, out Financial Staff writes.

General Instrument

General Instrument Corporation, the electronic components manufacturer, increased earn-ings from \$8.7m or \$1.08 a share to \$12m or \$1.37 in the second quarter, on sales of \$166.9m against \$131.3m, reports our Financial Staff. First half earnings of \$22.4m or \$2.64 a share compare with \$15.5m. or \$1.93, and sales of \$317.4m with \$256.8m

Forecast from K mart K Mart Corporation's earnings for the year ending next January will be \$2.95 to \$3.00 a share compared with \$343.7m or \$2.74 a share a year earlier, Mr. Richard Falck, senior vice-president and treasurer, indicated following a meeting with analysts, reports AP-DJ

Donaloc re-milchace

McDonnell Douglas Corporation intends to purchase its 42 per cent subordinated convertible debentures due 1991 in the open market and block transactions, reports Reuter from St. Louis. The amount to be acquired will depend upon the quantity available at prices it deems favour-able. It has \$61.8m principal of the issue outstanding. Lete maintain at Bonek

Roper Corporation, manufac domestic cookers, announced that earnings for the-full year have fallen from \$14.4m or \$2.66 a share to \$10.5m or \$1.93, on sales which have fallen from \$433m to \$421.1m, writes our Financial Staff. In the final quarter, earnings move up, however, to \$4.2m or 79 cents from 83.4m or 62 cents. Sales for the quarter were also higher, at \$122.2m against \$97.5m.

## TWA-Century 21 merger approved

of Trans World Corporation and Century 21 Real Estate Corporation have approved a definitive agreement by which Trans-World would acquire Century

The merger must be approved by stockholders of both companies at special meetings on

Century 21 will become a direc-

As previously announced, changed for preferred stock. Century 21 shareholders may Trans World said that it may elect to receive \$28.50 in cash shares for shares of Trans World Series C convertible share, or to receive a combination of 40 per cent in preferred stock and 60 per cent in cash.

elect to receive \$28.50 in cash increase the percentage of per share, or to exchange their Century 21 shares to be exchanged for the preferred stock to 60 per cent. Century 21 preferred stock worth \$28.50 a has 23m shares outstanding. The valuation of Trans World preferred stock, Series C. will be based on the average October 18.

Trans World said that not daily closing prices of the Series
After the merger Mr. Arthur more than 49 per cent of C stock during the period
E. Bartlett, the chairman of Century 21 shares may be ex- beginning July 25 and ending changed for cash and not less on the effective date of the than 51 per cent may be ex- merger. Trans World said.

### FT INTERNATIONAL BOND SERVICE

The list shows the 200 latest international bond issues for which an adequate secondary market exists. For further details of these or other bonds see the complete list of Eurobond prices published on the second Monday of each month. Closing prices on September 20

Wamer-Lambert 9 84 ...
TREATE MARK
STRAIGHTS
Argentina 7- 89 ...
Asian Dav. Bk. 7- 89 ...
Banco Desarrollo 7- 85
Barclaya C'sass 6- 89
Brazil 7- 87 ....
Erezil 8 87 ...
CECA 7 91 ...
Council of Eur. 7- 89...
Denmert 54 85

OTHER STRAIGHTS Issued Bid Offer day week Yield OTRER STRAIGHTS Issued Bio Offer day week Yield
Nordic I, Bk. 9 84 SDR 20 97- 98 0 -0-9. 9.68
Avco Fin. 104, 86 CS ... 25 914, 924 -0-4 -0-8. 12.07
Cr. Foncier 104, 84 CS 30 93-2 94-4-0-4 0 12.08
Ex. Dev. Cpn. 10 84 CS 50 93-3 94-4-0-4 11.75
Hudson Bay 107- 38 CS 60 93-3 94-7 -0-4 11.75
Hudson Bay 107- 38 CS 60 95-3 95-4 0-4-11.75
R. Bk. Canada 10 94 CS 40 94-3 95-4 0 -0-4 11.58
R. Bk. Canada 10 94 CS 40 94-3 95-4 0-4-7 11.13
Copenhagen 84-91 EUA 25 86-3 87-4 -0-4 -0-6 8.78
Komm. Inst. 7-5 ST EUA 15 87-3 95-4 0-6 8.58

This announcement appears as a matter of record only.



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**Arab Bank Limited** Bank of America NT & SA

Banque Nationale de Paris — Jersey Branch

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Dresdner Bank Aktiengesellschaft The First National Bank of Chicago Lloyds Bank International Limited

Manufacturers Hanover Trust Company Midland Bank Limited

Advising Bank in Saudi Arabia **Arab Bank Limited** 

BANK OF AMERICA INTERNATIONAL LIMITED

### INTERNATIONAL COMPANIES and FINANCE

# Way clear for change in Cii-Bull ownership

THE WAY seems to have finally cleared for a significant change in the shareholding of Cillionoywell Bull, the French company, as soon as a financial agreement can be reached between Saint-Gobaln-Pont a Mousson and CCE, the two diversified groups which are talking about a deal.

Discussions have been going

on for some time between these two companies, two of the targest industrial concerns in France, to find a way whereby CGE could divest itself of a 20 per cent stake in Cii's main shareholder, Machines Bull, A change in ownership has apparently been supported by the Government, another leading shareholder in Machines
Bull, on the grounds that SainGobain would be willing to help
the expansion of the computer the expansion of the computer concern which is now receiving the last of the State grants due under a four-year reconstruc-

tion scheme.

This week, both Cii and Honeywell Information Systems, which controls 47 per cent of the French computer group, have let it be known that they would not be averse to a change in the shareholdings.

M. Jean-Pierre Brule, the chairman of Cii, said at a Press conference, that Sain-Gobain would be welcome as a partner in the group. Honeywell, interviewed by the French Les Echos newspaper, said that it would work closely with Saint-Gobain Various calculations have been put on the value of the CGE stake, most of them in the

region of FFr 100m (\$23.3m) or

### **Export fears** by Danish TV maker

By Hilary Barnes in Copenhagen BANG AND OLUFSEN. the Danish television and hi-fi equipment manufacturer, warns the Government in its annual report to shareholders that the company will be forced to consider transferring production abroad if Danish economic policy does not improve. The company has about 2,700 employees in Den-

"If there is not very soon a change in domestic policy so that the export competitiveness of Danish firms is improved instead of being worsened, it will be necessary for Bang and Olufsen to reconsider its policy of producing as much as pos-sible in Denmark," the report

The company complains of the failure to implement incomes policy, continued large wage increases and the rise in public expenditure and the tax burden, which prevents an increase in domestic demand.

B and O. which has won a worldwide reputation for top to RSV's in June. quality products, both technically and for their design, said its pre-tax earnings of DKr 22m (\$4.25m) in 1978-79 placed it among the most profitable companies in the business



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The Art or latter with barrangers in research

**BSN-GERVAIS DANONE** 

# Aiming for multinationalism

The French Government is acutely conscious of not

having the companies to match the country's

pared to go all out into flat glass. exports.

The bid falled. His next efforts were again in

glass. He took control of Flachglas in West Germany and

Glaverbel in Belgium. But in

1970 he turned to filling his bottles, buying the Alsatian

brewery Kronenbourg, Europeenne des Brasseries, in the

same line, followed, clinching a

dominant position in the French beer industry. In 1973, BSN

LARGE FRENCH company glass and absorbing Boussois will give the group a special of government price controls. With about \$260m to spend, three years before. He was pre- tax deal for building up its. Up to now, the group has sentially on its two processes the sentially on its two processes the sentially on its two processes. with about \$260m to spend, would like to meet food/drinks companies with view to partici-pation/purchase. High-class pation/purchase. High-class image sought. Willing to travel, U.S., Far East, Government-recommended.

This is where BSN-Gervais Danone stands after agreeing last week to sell all its flat glass interests outside France to Pilkington Brothers of the UK. The sale, still to be approved by a number of European governments, will end France's near-monopoly of a major continental market supplying the building and motor industries. After the deal, B\$N-Gerva Danone, a half-glass, balf-food group, changes roles. It will become a multinational food company in the first instance, with ambitions of rubbing shoulders with Unilever and Nestle. It will continue to make glass packaging as a by-product, with its remaining flat glass interest in France tagging along as a temporary liability.

This last, heavily loss making company, Boussois, is the B in BSN. The company's sentimental attachment to it is tempered by the cost of a 10year modernisation programme, under licence from Pilkington. BSN-Gervais Danone, which already has a Pilkington reprewhich will become a shareholder in the UK group as part of its deal, would not have minded including Boussois in the package. But the remainder of the French glass industry, and the French Government, would

The betting in Paris is that at some stage Boussols will join the glass giant, Saint-Gobain-Pont-a-Mousson. If it does, it will give a peat twist to French industrial history. In 1969, M. Antoine Riboud, chairman of the then BSN, made an offer for the then Saint-

Gobain. His bottle-making com-

bine, Souchon-Neuvesel, had

agricultural resources which are by far the largest in Europe. This means that France is not getting the best value from her produce, most of which is exported unprocessed merged with the country's leading dairy group, Gervais Danone, His would-be bride,

> Pont-a-Mousson, The real influence behind the deal with Pilkington is that of the government. It is as good an example as any of how the French administration can work hand-in-glove with large private

Saint-Gobain, an old maid in her

277th year, had meanwhile merged with the Lorraine-based

tubes and engineering group,

Agro-business is a fashionable topic in France these days. The government is acutely conscious of not having the companies to match the country's farm resources, which are by far the largest in Europe, and of not getting the best value from its which is mostly exported unprocessed.

Since late last year it has reached "development agree-ments" with a dozen small and medium-sized companies making wine, brandy, tinned foods, cheese and biscuits, offering investment assistance according to the results obtained. It is conresponded to the plastic-packag- cluding another, exclusively ing era by diversifying into flat with BSN-Gervais Danone, which

has been low since the 1974

Agro-industry is one of the

few industrial sectors in France

where the number of jobs increased instead of decreasing

last year. But it is mainly made

up of small companies. Only in a handful of instances—sugar,

beer, pastas, mineral water-is

the market concentrated as it

is in other countries. The indus-try is 20 per cent foreign-controlled, and investment in it

oil crisis. The French federation, the CNPF, is trying to push the industry to develop its most competitive sectors. strengthen its marketing, improve its brand image, sell equipment and know-how abroad, expand commercial network and set up foreign sub-

Much of this onus now falls on M. Riboud. His group, although with a smaller turnover than Sir James Gold-smith's Generale Occidentale food distribution empire, is the country's largest food processing business. It is strongly placed in four areas— (Kronenbourg, Kanter mineral water (Evian, brau), mineral water (Evian, Badoit), dairy products and baby foods. Its food business is growing at the rate of 15 per

cent a year. Last year food and drinks made up 53 per cent of the group's FFr 14.4bn sales, and contributed FFr 167m in profit, four times the overall group result. All its food offshoots were in the black last year and earnings are expected to im-prove this year after the lifting

products. Last year it accounted for 70 per cent of French beer exports. The country has a big deficit in the sector, importing four times as much as it sells In order to break through into foreign markets, Kronenbourg has gone into co-operation with Bass in the UK, has bought a share in Belgium's Alken brewery a one-third stake in the number three Spanish brewer, Mahou, and this month a similar stake in an Italian brewer, Wahrer Kronenbourg beer is also being launched in the U.S.

Up to now, the group has relled essentially on its two

main axes of beer and dairy

As for dairy products, the 1980s yoghurt boom meant that Gervais-Danone was already well-established internationally when it joined BSN six years ago. Its subsidiaries include the leading Brazilian company in its field, Laticinios Pocos de Calda. "France's Coca-Cola" is how

M Ribound now sees Gervais-Danone with sales reaching FFr 4.7bn by 1982, three times those of last year. More than half of this is to come from

Up to now, in contrast to its glass interests, the group's food and drinks business has been. overwhelmingly home-based.
Three-quarters of the 40,000
workforce which will be left
after the Pilkington deal will be in France. But the trend of cuthacks in French plants has already set in. As M. Riboud talks of moving into the Far East and Venezuela, the unions, who have generally regarded him as a progressive minded man have cottoned on to where the group is going.

Billerud

in \$40m

French deal

THE PRICE paid by Billerud

Uddeholm, the Swedish pulp, paper and board group, for a

majority holding in Lafarge Emballage, the packaging sub-sidiary of France's Lafarge

Ciments, is FFr 170m (\$40m). The Swedish concern is buying

cent Lafarge holding and the

34 per cent Union Camp Cor-

poration stake in the packaging

Billerud Uddeholm will also

offer to buy the remaining 2

per cent of the shares held by

private investors

With only three or four names now among the world's top 100 food companies, France is now planning a fully-fledged multingtional. For a man who moved into his mother's family's bottle-making business during the German occupation. it must be an unexpected

# Medical share offer draws \$8bn

Gulf

THE OFFER of shares worth \$4m in Gulf Medical Projects Company has attracted \$8m of applications. The offer, which was for 20 per cent of the 75m UAE dirhams capital of the company at the par value of DH 2.50 each (66 US cents), was open for six days, and was oversubscribed

Borrowers of money to cover their applications have paid in interest up to four times the face value of the shares. Applicants for the maximum 10,000 shares were allotted four shares each. Gulf Medical Projects is a

joint venture between the Government of Sharjah, a group of Gulf private in-vestors, banks and investment companies, predominantly from Sharjah and Kuwait, and the London-based Hospital Affiliates International headed by Dr. Michael Sinciair. The company is building a 120-bed private hospital in Sharjah, the Al-Zahra Hospital,

The subscriptions notice in Arabic newspapers said that the company aimed to manu-facture and trade in drugs and pharmaceutical products and to earn commissions from commercial agencies in hospital and medical supply. The founders of the com-pany hold 80 per cent of stock.

The remaining 20 per cent was dividend into 6m shares.

Banking sources in Bahrein were predicting before the offer closed that it would be at least 200 times over-subscribed, following a scramble for shares in two Bahyein offshore companies

within the past two months.

There has been a strong element of speculation in the recent share stampede and shares have been traded on the Kuwait stock market within days of allocation at several times their face value.

# Strong advance at Bank Leumi

BY L. DANIEL IN TEL AVIV

banks have published semi-annual balance-sheets over the past week. Bank Leumi le-Israel remains in the lead with a consolidated balance-sheet as of June 30, 1979, of 1£345bn (\$12,02bn). Net consolidated profit reached 1£621m (\$21.63m) compared with 1£347m for the

seep pace, in real terms, with Israel's inflation.

The profit growth is 79 per ent; moreover, the net profit in January/June this year is equivalent to 86 per cent of total 1978 profit, which amounted to If718m.

The bank further reports a satisfactory increase in deposits by the public, particularly in approved savings schemes (which are 100 per cent linked to the consumer price index), as well as in its foreign currency accounts of both local and foreign residents.

The negotiable Certificates of Deposit, a financial instrument designed to serve the short-term needs of clients, also continued to develop during the first half In view of these results the

bank has declared an interim cash dividend for this year of 71 per cent, less income tex, on all ordinary and special voting shares, including capitalisation shares distributed at the ratio of 15 per cent in May, 1979, and on ordinary shares derived from the conversion of capital notes and options before May 31, 1979, except for the convertible notes of Leumi International Investments NV.

At the same time, the group's oversees activities expanded New York and Discount Bank significantly with the acquisition (Latin America) of Montevideo.

ALL THREE of Israel's largest of 11 branches in the U.S. (subject to approval by the Federal authorities) from Bankers Trust Bank Leumi Trust Company of New York, the bank's largest overseas subsidiary, will in-de crease its equity capital by its \$10m this year, and Bank Leumi (UK) is also increasing its ? capital

sents an increase of 83 per cent Panama and a new subsidiary relative to June, 1978, and of 1978, The bank has thus been more than able to 1979. inaugurated in Uruguay. These in three projects now await approval by the authorities.

Bank Hapoalim — Israel's second largest—reports that it is

made a net profit of L£608m (\$21.18m) in the first half of # time that a semi-annual balancesheet stood at L£292br - (\$10.17bn) on June 30, 1979. Releasing these figures, Bank - 3 Hapoalim points out that if is ?" unable to give comparisons of growth since this is the first

time that a semi-annual balance sheet and profit-and-loss state-ment have been published. Israel Discount Bank-the third largest-on the other hand, disclosed that its consolidated balance-sheet total as of June 30 this year was I£172,5bn vs (\$6.01bn) compared with :-I£94.5bn a year earlier (a rise of 82.5 per cent). Consolidated are net profits (after tax and deduc-

1£324.3m (\$11.3m) as compared with 1£194.1m in the first half a of 1978 (up 67.1 per cent). The consolidated balance is sheet covers the activities of the it Israel Discount Bank itself (as it well as of Barclays-Discount, the Israel Mercantile Bank, the Development and Mortgage :-Bank, the Industrial Finance :-Bank, Manpikim, the issuing company of the bank, as well as Discount Trust Company, of New York and Discount Bank

tion of payments to minority stockholders) for the first six

months of 1979 came to

# Seven divisions urged for RSV

BY CHARLES BATCHELOR IN AMSTERDAM

A DECENTRALISED structure comprising seven operating itself of its large shipbuilding damsche divisions under a small, but powerful holding management is attractive, the company's posi-recommended for the troubled the consultants said. Their Dutch shipbuilder, Rijn-Schelde- recommendations aimed Veroime (RSV), in a report just

shipbuilding concern in the (\$30m) in 1978 on turnover of A number of small operations Netherlands was necessary to Fl 2.5bn (\$1.25bn). The report not included in these divisions cut through the "unclear" mansays RSV must develop a "flat" will report directly to the management structure resulting from the series of mergers which formed RSV, it said. The report, drawn up by the Horringea en de Koning consultants, was one of the conditions imposed on RSV by the Economics Ministry when it came

The recommendations differ from RSV"; own thinking. It had wanted only two sub-holdings, but it found the consultants' pro-posals "largely acceptable," RSV said in a first reaction.

**Swedish** 

Acquisitions by

metals group By Victor Kayfeez in Stock

BOLIDEN, the Swedish non-

ferrous mining and metals group, announces "far advanced

cent share in the Finnish com-

pany. Oy Bera; and a 10 per cent stake in these two com-

panies—Danish parent company. Paul Bergsäe and Son—for an

Boliden currently extracts

lead ore from its mines in northern Sweden and produces

about 60,000 tonnes annually at

its nearby Rönnskär mill and

through its half-owned West

undisclosed price.

Now that RSV has divested and large offshore construction

of a hierarchy with many levels, although different forms are proposed for the seven divisions. The management of each division must have close con- becoming restructuring process key positions,

The seven divisions proposed recent injection of equity funds are the VDSM repair group of by the State, the consultants Rozenburg; Verolme Brazilie. said.

The group links this big jump to three factors—the take-

over of both the Anspach chain of shops and of La Ouatose, and the entry into the accounts of the Boussac group activities, which came under its control in

The main change in the group last year came with the creation

of Boussac-Saint Freres as the

October of last year.

Wilton -Fyencord / Rotter-Thomassen Holland --- both with smaller companies grouped around them; Koninklijke mij at de Schelde and a number of returning RSV to profitability other companies in Zeeland; a eleased.
Over the pext three years. It metalworking and machining A reorganisation of the largest made a net loss of Fl 59.7m group; and an electrical group.

In RSV's favour were its strong position in some protected markets, a number of development should be avoided, although RSV experience of foreign projects, said it would take time to fill a large share of the European

projects now tact with the workforce. The attractive the company's postion report also recommends that a tion in both the manufacture and repair of capital goods, its ship repair market and the

which have a \$800m annual

industrial restructuring, Agache-Willot's affairs are now organ-

between the manufacturing and distribution interests. It says that the complex reshuffling-of

Following its financial and

The purchase is being effected through the Swedish company's French subsidiary. Cartonneries Menigault, which will have its share capital increased and be last sude to explain the swedish to the state of the swedish such as the swedish such as the swedish such as the swedish such as the swedish swedis lent funds to enable it to complete the deal.

Billerud Uddeholm will finance the takenver by borrow-Sharp increase in sales ing abroad, most probably from Agache-Willot
BY OUR PARIS STAFF through a multi-currency loan, according to Mr. Carl-Axel Rounbo, the deputy managing

director.

### Setback for Bank Buruh

BANK BURUH, the four-yearold bank managed by the Malaysian trade unions congress, suffered a loss of 4m ringgit (US\$ 1.85m) in 1978. It made a profit of 700,000 ringgit in 1977.

Accumulated losses up to the end of 1978 came up to 5.22m ringgit compared with the bank's paid-up capital of 10m

week shareholders will be asked to increase its paid-up capital to

# By Wong Stilong in Kuala Lumpur

ringgit At its annual meeting next

20m ringgit.

The bank's directors, who are mainly leading trade unionists, made no reference to the reasons for the losses in the augual report. Neither did they give a rundown to the bank's operations during the year. Howoperations during the year. How-ever, notes in the profit and loss account referred to "provisions for bad and doubtful advances"

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September 1979.

# Increase in profits and dividend at ANI

BY OUR SYDNEY CORRESPONDENT

26 per cent rise, from A\$14.66m (US\$16.5m) to A\$17.5m (US\$20m) in the year to June 30. The engineering, plant hire and motor vehicle distribution group has raised its dividend from 10.5 cents a share to 11.7

The directors are confident of achieving the thirteenth succesachieving the thirteenth successive year of profit growth in the current year. ANI's wholly-owned subsidiaries increased their pre-tax profit by 26 per cent but the contribution from associated companies dipped 6 per cent, reducing the equity accounted content. Earnings a schare of 36.2 cents compared share of 36.2 cents compared with 32.7 conts in the previous

Extremely satisfactory results the

equipment merchandising operations. The metal forming divisions recorded a strong that in the international field profit growth from the Australia's competitive position depressed base of the previous had improved. While there were year, while the return from the still some deficiencies in Datsun dealer. Capitol Motors Government policy, particularly and the metal merchant, Steel- in relation to its spending, it

The return from the associated companies, the rolling stock maker, Comeng Heldings and the iron founder, Bradken Consolidated were lower

past year, the directors

AUSTRALIAN NATIONAL inwere recorded by the Coates said, and most of the markets increased from 11.25 cents a
dustries pasted its twelth sucdustries pasted in earnings with a
engineering activities and the
provided adequate opportunities a bonus element of 2.5 cents. for profitable operation,

> mark were both broadly in line was clear that the basic thrust with the previous year's result of economic policy had been

AMALGAMATED Consolidated were lower (Australia), the electronies because of a slow down in group, has raised its dividend Government spending and the and plans a scrip issue follownormal cyclical pattern within ing a 36 per cent increase in the foundry industry. There profit, from A\$6.8m (US\$7.6m) had been real improvement in to A\$8.27m (US\$7.6m) in the Australian economy over year to June 30:

The dividend has been

The higher dividend will be paid on capital increased in September last year by a onefor five scrip issue. In addition, the directors will

recommend a further one-for-five scrip issue at the next annual meeting, and expect to maintain the dividend at the new base rate of 12.5 cents a

The dividend is covered by earnings of 48 cents a share compared with 35 cents in the previous year. Gains were made in all major activities, according to the directors. The most significant areas were in AWA New Zealand and AWA Rediff-sion, both of which turned around from losses to substan-

### the accounts, which led to some criticism of the company in financial circles last year, will put it in a better position to produce consolidated accounts. of boussetsaint Fields at the whiche for controlling its manufacturing activities. This was formed from the merger of CGT, the Agache-Willot industrial holding ssubsidiary, and Saint Freres, a group business which had been used as 2 German company. Preussag-Boliden-Blci. The Swedish subsidiary of Bergsöe produces about 30.000 No profit figures were availtonnes of lead a year, mainly from old car batteries, Turnover able for the group last year, but Saint Freres, a group business the parent company made a net the p is about SKr 225m (\$54m) annually. The Finnish company produces 10,000 tonnes of lead a year and has a turnover of about \$5m.

TURNOVER OF the Agache- in train some industrial recon-Willot group, the French textile struction, the group warns that company which came to the there will be further rationalisa-

company which came to the there will be further rationalisatescue of the ailing Boussac tion of its 20 or so textile factories. It adds that it is also for some anded March 31, compared with seas, which took a big step forward in April with the acquisition of the Korvettes.

The group links this big which have a \$50000 annual.

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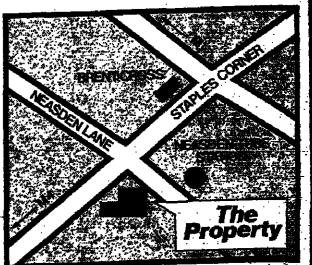
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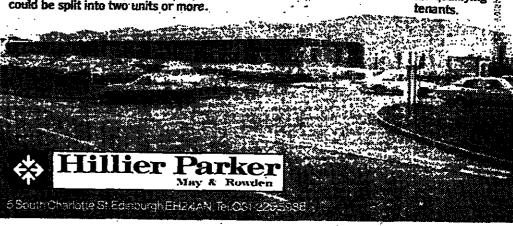
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with separate OFFICE BLOCK 12,900 sqft (1,200 sqm)

ONSITE OF 10 acres (4 ha) FOR SALE

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**FACTORIES TO LET** 3,200 sq. ft. upwards Rents from £1.60 p.s.f.

# CHESHIRE

Ring IAN McLAREN RUNCORN 73477

## **FACTORIES AND WAREHOUSES**

WAREHOUSE'INDUSTRIAL UNITS at PLYMOUTH, Modern Factory, 25,463 sq. Haddenere Tramway Estake, Banbury, R. on site of 3.5 acres approx. Free-pation and sleep remains from 6,000 \$2., London, WCZE SHZ. DI 835-9654. Industrial Estate YAREHOUSETHINGSTREAL UNITS at Haddenere Trammay Escate. Banbery, are now available for immediate occupation and sizes receive from 6,000 in the 13,500 sq. ft. For britter details places contact: Edwards Bigmood & Bewiny. 13 Morse Fair. Banbury, Oxon. OX16 DAH. 16l. 0235 50484. and Dervick Wade & Waters, Terminus House. The High, Harlow. Essex, CM20 1UT. Tel. 0279 39191.

Hoose, The High, Harrow, 1UT. Tel. 0279 39191.

NUNEATON. Modern Single Storey Fac-tory/Warehouse. 43,500 sq. ft. Extellent road communications... To Let. Brute: 01-267 6772.

Wed. In Oct. 11 2 p.m. isubject to Conditions of Sale and unless previously sold) at the Batchall Hotel, Chester-state, Macciested, VALUABLE FREEHOLD SAND AND Bollisation, Macciested, 24.17 Acres or therebouts Abo QUARRYING AND GRADING PLANT AND EQUIPMENT PARTICULARS and Catalogues from John Aptioneers:

# SMITH MELZACK

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Superb Air Conditioned Office Suite 4,000 sq.ft. approx. Ideal Banking or Insurance

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Edinburgh and

available, as are

Grants are

substantial rent-free periods

for qualifying

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**EDWARD SYMMONS** TeL01-834 8454

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VICTORIA, S.W.I FIRST-CLASS COVENANT £375,000 S.T.C.

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S PARTNERS
56/62 Wilton Poad Lendon SWIV 10H

3.)

# Wall Street modestly firmer at mid-session

INVESTMENT DOLLAR PREMIUM

\$2.60 to £1-32!% (33!%) Effective \$2.1610 10!% (10!%) AFTER STARTING on an easier note, Wali Street took on a firmer stance in active dealings to record a modest net improvement at mid-session.

The Dow Jones Industrial Average, down 3.84 at 872.61 at the 11.00 am calculation, picked

Closing prices and market reports were not available for this edition,

on balance of 2.39. The NYSE All Common Index was a net 19 cents up at \$61.95, after retreating to \$61.66. Turnover amounted to 26.91m shares, surpassing Wednesday's 1 pm figure of 24 33m. Chemical Bank Initiated a 13t per cent Prime Rate on Wed-

cent level, and a number of major banks followed the move yesterday morning.
Analysts said the market seemed fairly resistant to negative news. however, with bids coming in whenever prices retreated. But interest rate-sensitive issues, such as Utility

Sept. | Sept. 19 | 18 37

**NEW YORK** 

Abbott: Lab..... 38 AM International 174

Alleg. L. dium..... 247a Allegheny Power 161s Allied Chemical... 415a Allied Stores...... 357a Allis Chaimers.... 355a

Amerada Hess. 4214
Amer, Airlines. 6519
Amer, Brands. 6619
Amer, Broade'st.
Amer, Broade'st.
Amer, Can. 3859
Amer, Cyanamid. 3014
Amer, Elect.Pow.
Amer, Express. 3412
Amer, HomeProd. 2819
Amer, Medical. 3519
Amer, Matheware, 3519
Amer, Nat. Res. 4114
Amer, Standard. 5519
Amer, Tel. & Tel. 3519
Amer, Tel. & Tel. 3519
Amer, Tel. & Tel. 3519
Amer, Motors. 3219
Amer, Tel. & Tel. 3519
Amer, T

Asareo...... Ashland Oll.....

Benguet Cons B 44 Bethlehem Steel 24

| Quantity | Quantity

and Preferred stocks, were under

payments figures, due later in

the day. Volume leader American Telephone were off 1 at \$551, after hitting a new low for the year of \$546. Blocks of 150,000 and 125,000 shares were moved at

Active Citicorp were un-changed at \$24, while Dr. Pepper, changed at \$24, while Dr. Pepper, in the number three spot on the actives list, eased \(\frac{1}{2}\) to \$14\(\frac{1}{2}\). In the Oils group, Mobil gained 1\(\frac{1}{2}\) to \$52\(\frac{1}{2}\). Charter CC. 1\(\frac{1}{2}\) to \$49\(\frac{1}{2}\). Occidental Petroleum 1\(\frac{1}{2}\) to \$33\(\frac{1}{2}\). McMoran Oil and Gas jumped 3\(\frac{1}{2}\) to \$33\(\frac{1}{2}\). It but found oil and gas off Galveston. Texas. gas off Galveston, Texas.

Reilance Electric added 11 at \$621. Exxon has agreed not to end its hid for Reliance shares for at least a week, Exxon gained to 857; On Wednesday, Reliance sued to force Exxon to comnesday from a previous 13 per plete the deal.

8371.

THE AMERICAN SE Market shares (250m).

Value Index moved ahead 2.13 further to 226.00 at 1 pm on a volume of 3.92m shares (3.43m).

Dome Petroleum climbed 1½ to ceded to 6.465.68, down 16.90 stating its Tarsiut A-25 Market section finally outscored well in the Beaufort Sea soon.

Mainted moderate, totalling 240m year of 100.2.

The Nikkei-Dow Jones Average, after briefly touching and sterling encouraged buying in certain sectors, dealings commented.

Banks, Foods, Motors, Engineering of the dollar shares for the sharp fall of the dollar in certain sectors, dealings commented.

Banks, Foods, Motors, Engineering of the sharp fall of the dollar shares for the sharp fall of the pressure.
Investors were expected to begin testing its Tarsiut are remain rather cautious ahead of well in the Beaufort Sea soon.
Guif Canada, a partner, jumped

General Motors... 617s.
Gen. Pub. Util ... 914
Gen. Signal ...... 341s.
Gen. Tel. Elect... 281s.
Genesco ........ 414
Georgia Pacific... 29
Geoscurce....... 41
Getty Oil ....... 6214

**EUROPEAN OPTIONS EXCHANGE** 

26fs 2012 2212 1514 265s 39 918 2645s 150s 324s 231s 231s 2415s 415s

With Oil and Metal stocks leading the way, shares were inclined to move ahead yesterday morning in very active trading. The Toronto Composite index put on 6.1 to 1,728.0 at noon, while the Oils and Gas index advanced 39.0 to 3,370.3, Golds 27.3 to 2,260.5 and Metals and Minerals 12.4 to 1,491.4. In Montreal, Banks rose 2.06 to 311.29.

Amaigamated Bonanza, whose Texas well tested oil, jumped 22 to C\$202 in active trading.

Bay Mills climbed C\$2 to C\$20 on higher earnings and a dividend increase.

341<sub>2</sub> 271<sub>2</sub> 243<sub>4</sub> 163<sub>6</sub> 39 473<sub>6</sub> 415<sub>4</sub> 211<sub>3</sub> 446<sub>8</sub> 555<sub>8</sub> 527<sub>8</sub> 42 197<sub>9</sub> 21

After pushing further ahead Gordon Jewelry climbed 11 in the early stages, the market to \$273, Warner and Swasey 11 turned back on profit-taking to to \$331. Arbott Lahoratories 21 leave stocks lower for choice on to \$401, and Beach Aircraft 22 to balance. Business volume re-

rises by 394 to 257. Oils led the subsequent re-

Scovill Mfg ... 185g
Soudder Duo Cap 1998 Sea Containers 1998 Seagram ... 1714 Seagram ... 1714 Sears Roebuck ... 1919 Security Pacific ... 1718 Shell Oil ... 1718 Shell Oil ... 1718 Shell Oil ... 1718 Shell Transport ... 2918 Signode Corp ... 3788 Signode Corp ... 3788 Simplicity Pat ... 1078 Singer ... 12 Smith Inter ... 635g Smith Kline ... 578 Southern Cal.Ed ... 2554 Southern Cal.Ed ... 2554 Southern Natl Resi Southern Railwyl 537g Southern Railwyl 537g Southern Railwyl 537g ... 537g Southern Railwyl 537g Southern Railwyl 537g Southern Railwyl 537g Southern Railwyl 537g ...

Southern Nat Res | 461a | 461b | 461b | 555a | 555a

TestorOPetr'leum	18
TestorOPetr'leum	18
TestorOPetr'leum	2879
Texas Quil	2936
Texas Eastern	5578
Texas Oli & Gas.	4734
Texas Utilities	1819
Times Inc.	4438
Times Mirror	3319
Times Mirror	3319
Trane.	1919
Tran. America	1919
Tran. America	3518
Trans.	287
Transevary Intl.	27
Travelers	2878
Tri-Continental	1858
Tri-Continent	

later downtrend.

Export-orientated Light Electricales and Vehicles closed mixed as fresh buying alternated with profit-taking Pioneer Electronic gained Y40 to Y2.320. Ricoh Y14 to Y639 and Toyo Kogyo Y12 to Y505, but TDR Electrales shed Y30 to Y2.530 and Olympus Y3 to Y855.

**Paris** 

Despite operators settling their positions ahead of the new monthly trading Account, which begins today, a good number of shares showed fresh strength yesterday, with the Rourse In-dustrials Index climbing 1.7 further to a new high for the

ancials, Constructions and Elec-

CANADA

Sceptra Res'urce
Seagram
Shell Canada...
Sherritt G. Mines
Steel of Canada...
Steep Rook Iron.
Teck Corpn. 'B'...
Texaco Canada...
Toronto Dom. Bk...
Trans@ount Pipe
Trizec...
Union Gas...
Union Gas...
West Coast Trans
West Coast Trans
Weston(Geo.)...

Sept. | Sept.

stocks easier on the day. The Commerciank index shed 1.3 to

In Chemicals, Schering stood out with a fall of DM 2.50. Deutsche Bank receded DM 1.50, while among Motors, BMW lost DM 2.50 and Volkswagen DM 1.50. Mannesmann declined DM 2

in Engineerings, but Degussa found fresh favour, advancing DM 3.50. Public Authority Bonds rallied by up to 20 plennigs, with the Bundesbank selling DM 42.7m nominal of paper, against Wednesday's sales of DM 9.8m.

Mark Foreign Loans were well

maintained

but later lost that amount to close unaltered on balance at ASIO.20 after reporting drilling problems in the Resolution No 1 well.

The stock goes ex-rights today.

BHP supporters have just been reminded that the company has reported and profit-taking caused a 20 cents setack to HKS11.90.

Properties again found favour.

However, the recent rise of Jardine Matheson ended and profit-taking caused a 20 cents setack to HKS11.90.

Properties again found favour.

A DKr 100 denom, unless otherwise ## 100 denom. and Bearer shares unless otherwise stated. 1 Y50 denom. unless otherwise stated. 2 Price at time of suspension. ## Forins. 5 Schillings.

12 10 16 12 12 12 12 10 6 13 12 13 12 8.0 7.8 10.2 4.2 9.2 3.7 7.1 4.6 9.0 3.9 9.1

Div. Yid

10 9, 38 9 2.9 3.2 8.4 4.4 3.1 MILAN

12014 ..... 12834 + 14 15712 + 14 287 - 1

COPENHAGEN +

Danske Bank..... East Asiatic Co. Finansbanken...

Finansbanken
Bryggerier...
For Papir...
Handelsbank...
G.Ntin...H(Kr90)
Nord Kabel...
Novo Ind'stri's B
Oliefabrik...
Privatbank...
Frovinsbank...
Soph.Berensen.
Superfor...

YIENNA

SWITZERLAND &

Aluminium 1,315 8
BBC 'A' 1,930 +5 10
CibaGeigy Fri00 1,280 +15 22
Do. Part Cert. 1,030 +5 22
Do. Reg. 704 +1 22
Gredit Sulsse 2,960 +10 16
Electrowatt 2,190 +25 10
Fischer(Georg). 710 +5 5
HoffmanPtCert. 72,750 -500 110
Do. (Small)... 7,800 -50 110
Interfood 8. 4,950 +130 22
Jelmoli (Fr. 100) 1,500 +35 21
Nestle (Fr. 100) 3,550 +10 881,5
Do. Reg. 2,375 +5 281,5
Qerlikon 8(F250 2,585 +25 16
Pirelii (F100)... 294 +1 15
Sandoz (F,250)... 4,860 +10 28
Do Part Certs. 555 +4 26
Schind\*rCiF100, 345 +5 14
Swissair (F,350) 797 -1 10
Sw. Bk. Cp(F100) 388 +3 10
Sw. Reims (F250 5,700 ... 25
Union Bank ... 3,290 +20 20
Zurich Ins. 13,400 +150 44

Price + or Div. Yid

185 7.2 185 9.0

500 2.8

1.200 2.7 1.40 6.6 80 9.4

14 875 +8 2.577 -35 2.048 -45 132.75 +2.75 21.340 +290 386 -43,990 +840 197.8 -5 1.381 -56 2,130 +5 848 +3 795.5 +16.5

Volume leader Tubos de Acero y 770 to YS.410, Teikoku Oil YS Chemicals and Metals were gained 1½ to \$10½ after a four-for-one stock split earlier this week.

Canada

With Oil and Metal stocks lead
With Oil and Metal stocks lead
Treat, with Arablan Oil losing tricals were mixed and Rubbers, the deposit per contract of 50 mainly steady.

Generale Occidentale advanced to Y325, Recently-selected Real Estates and Shipping Lines also for 18.50 to FFr 323, Bouygues arely from A\$1,000 to A\$1,500 and this would apply to all open positions, not just to new con-Estates and Shipping Lines also finished with a predominance of declines.

Non-ferrous Metals rose initially, reflecting higher Overseas gold prices, but followed the later of the first productions.

FFT 18.50 to FFT 325, Bonygues arely from A31,000 to A31,000 to

> MIM. in contrast, moved ahead standard and poors 12 cents more to a new nigh for the year of AS4.12, still respond-ing to record silver prices. Uraniums were in firmer fettle, with Kathleen Investments advancing 12 cents to AS5.02 on

better-than-expected interim pro-fits and dividend resumption. Peke-Walisend climbed 10 cents

Elsewhere, Western Colleries rose 26 cents to the CSR bid price of AS6.00, while CSR added 5 cents at A\$4.30 on a proposal to adjust the domestic price for sugar to compensate for any falls in the international

Hong Kong

With funds returning from the Australia

With markets continuing to mervous gold market, shares were inclined to goin ground in consolidate their positions after the recent strong markets.

With runus returning from the nervous gold market, shares were inclined to gold market. Shares were inclined to gold market, shares were inclined to gold market. Shares were g the recent strong performance, shares again showed no clear overall trend yesterday.

Market leader BHP featured with an early rise of 20 cents, but later lost that amount to close as Hutchison Properties and Hutchison Properties

reminded that the company has a halfshare in a very rich gold mine in Western Australia, the Telfer, which is operated by Newmont Mining.

Cold issues hawayar mainly the supporters have a set of the support of the su Newmont Mining.

Gold issues, however, mainly reacted, with some changes in terms of trade on the local Gold

Kai Properties 20 cents at HK\$12.90. Hong Kong Bank was also in demand, rising 30 cents to HK\$13.90, possibly because it to HK\$13.90. The properties was also in demand. terms of trade on the local Gold to HK\$13.90, possibly because it Futures Exchange having a has not featured much in the marked effect on share market gains of recent days

c Cents. d Dividend after pending rights and/or scrip lasue. e Per share. f Francs. g Gross div. %. h Assumed dividend after scrip and/or rights issue. k After local taxes. m % tax free. n Francs including Unilac div. p Nom. q Share spilt. s Div. and yield exclude special payment. r indicated div. u Unofficial trading. v Minority holders only. y Merger pending. Asked. t Bild. § Traded. 4 Seller. z Assumed. a cucumum cracing. v Minority holders only. y Merger pending. \* Asked. † Bid. § Traded. † Seller. z Assumed. ar Ex rights. ard Ex dividend. are Ex scrip issue. as Ex ell. A Interim since increased. Indices

NEW YORK-DOW JONES

AT AA												
			Sept.	1	I	Scot.	1970		<b>Sinos</b> Co	Anpilt'		
	Sopt. 19.	Sapt.		24	3ept		High	.Low	High	Low		
e Industr'is	878.46	874, 15	881.61	878.70	870,78	870.te	827.65 (21/6)	807,00 (27/10)	1961.79	41, <u>39</u> (9,7,62		
K'me B'nds	85,57	85.49	85.51	85.60	88,58	85-45	98.10 (75/9)	\$2.92 (8/b)	- '	-		
Transport							271.27 (15/8)	296.78 (27/2)	(7/2)65)	12.25 (4/7/32)		
################################	105,61	196.28	107.17 !	1207.00 !	197.48	105.19	189,61 (8,65)	(94.4) (94.4)	163.59 (20/4/69)	19.58 (25/4/42		
Trading Vol 000'st	35,440	38.860	37, <b>62</b> 9	42,860	36, <b>00</b> 0	5 <b>1,63</b> 8	-	<b>.</b> –		_		
	٠					•		٠.		•		

	Sept. 14	Sept. 7	Aug. 41	Yеаг адо (арря
ind. div. yield 2	5,65	5.67	5,58	6.89
بالتاريخ والمراقع والمراقع والمراقع	والمراكز والمراجعي			

61,7661.6262.0962.08 62.40 53.88

GI LUIDING										
							1	979	Zince (	ropii t'n
	Sept.	Sapt.	Sept.	Sept.	5ept.	12	High	Low	High	Law
tindust'is		. 1		121.25			121,57 (\$1/\$)		184,84 (11/1/75)	5.52 (30/8/89
{Composite	198.26	108.00	109.84	108.76	197.85	707.42	108,51 (81/8)	92.13	125.66 -{  14141 f	4:40
			Sep	L 12	Sept	. 8	Aug. 8	3 Y	AT Ago	apeqq
ind, div. yiel	ď%		5.	05	6.1		4.98		A.B	8
Ind. P/E Rat	ю		7.	74	7.8	<u> </u>	8,49		9,88	
Lond Gov. B			1 9.	11 }	9,1			and F	aliz Sept. 1	
Sept Sept.	Sapt. S	ept	197 High	P Low	Ris		ded	,874 687		1,901 650

	(81/8)	) (27)6			8 47 8 38	96 104 45 18
MONTREAL		Sept.	Sept	Sept	1	179
	Sept.	18	17	14	High	Low
industrial Combined	310.76 298,48			312.88 309.38		218_10 (2/1) 225,80 (2/1)
TORONTO Composite	1721.9	1718.1	1728.9	1731.9	1731.9 (14/9)	-7345,8 (2/1)
JOHANNESBURG Gold	352,9	868.T	548.2	649.2	756.1 (18/h)	42E,4 (17,4)

TORONTO	Compo	site	1721.9	1718.1	1728.9	1751.9	1731.9 (	14/9)	7345.0	(2;1)
	SBURG iold ndustria	i	352,9 358,4	358,T; 355,8;	548.2 555.8	548.2 558.4	766.1 (1 569.4 (1	1/8h 9/8)	\$25.4 ( \$30,6	17.4) (2/1)
	Sept.	Pre- vious	1979 Kigh				Sept.	Aione 514		
Australia (	S) 677.85	671.20	676.77 (1749)				(d) 97.11	Ţ	(8,3)	91. (14
Belgium .(	() <b>105.16</b>	105.46			-64		(a) 553.88	1	401.34 (6/2)	. المقاد (20 أ
Denmark (*	98.23	92.28		88.39	18W	itzerioi	(/) Z20.4	ā18.9	320 <u>.1</u> (2/5)	294 (3)
France (†	†) 109.2	38.5	100.2	71.6	The		3. 55 A	neterd	en le	dust
Germany (‡	t) 769.2	770.5	(16/1)		-	Banca	Comme	ciale //	itajiana	19 Str
Holland (5	-	74.1	· (24/1)	(7/9)	Tin 29/	nes 196		oned.	# Mac	Irld
Hang Kong	5	608.60	(15/8)	(2/1)	- S	wiss B	ank Con	peration	L H	hev
ftaiv - (f	E 85.46	88.1	69.68	68.38						

Japan (c) 455.50 456.28 462.97 (31.1)
Singapore( b) 402.80 383.43 (31.1)
(17.6) WEDNESDAY'S ACTIVE STOCKS Howard Johnson I Charter Co. ..... Pitraten Mebii IBM Trans World Am. Tel. & Tel. W. R. Grace .... Firestone Tire Indices and base dates (all hase values 100 except NYSE All Common — 50: Standards and Poora—10: and Toronto 300—1,000: the less semed based on 1878). Textuding bonds, 400 Industrials. § 400 Industrials, 40 Utilities, 40 Finance and 20 Transport; 1 Sydney All Ordinary. [Beigian SE 31/12/SS. \*Copanhagen SE 17/73. 1† Paris Bourse 1981. \$\$ Commerchank

### TOKYO ¶ **AUSTRALIA** STOCKHOLM Aust & For Sept. 20 Kroner - Kr. \$ Sept 20 AGA AB (Kr. 50). 185 +1 A5 5.7 Alfa Lavaj (Kr. 50 117 6 5.2 ASEA (Kr. 89) 66.5 -0.8 5 7.6 Attas Cop. Kr. 25 71.0 -0.5 5.8 8.1 Billerud 57.5 -2.0 6 4.5 Cardo 158 -4 6.5 4.6 Callulosa 120 -1 65.5 4.6 Ericason B (Kr. 50 113 -1 5.25 6.2 Exercise (Free) 13844 5 5 4.5 14 2.0 12 1.0 25 1.6 20 3.0 15 1.1 12 2.3 18 1.6 36 2.0 12 1.6 30 1.1 13 1.3 Asahi Glass,.. ACMIL (25 cents) Acrow Australia. Alistate Explorations. AMATIL \$1. Ampol Exploration.... Ampol Petroleum..... 8.01 Essoite (Free).... Fagerata ..... Granges (Free)... Handelsbanken 10 0.0 18 5.5 203. -0.2 9.38 10.4 158.7; +2.2 :15.6; 5.5 130.6; -0.9 18.78; -1 144.6; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.0 1.85; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5.3 147.5; -1.1 25; 5 Hapag Lloyd Harpener Hoechst Hoechst Hoesh Horten Kail und Salz Karstadt Karstadt Kurstadt Kurstadt Kurpp DM 100 Linde Lo'brau DM.100 1 Lutthansa M.A.N Mannesmann 68 - 8 - 5 7.4 59.5 + 1.0 - - - 70.5 Cariton United Brewery CSR (51), Cockburn Gement Coles (G.J.) Cons. Goldfields Aust. Container (51). †1.93 †4.50 :1.45 †2.04 †4.48 †2.70 †3.88 :1.85 +0.03 +0.85 +0.05 +0.05 +0.05 +0.05 -8 +1 +40 +1 -3 RG

7	Shiseldo	1.110	+10	20	1.0	DRUIGD GRODEL (20 COURT	10.50		DUITEGRATO
3.	Sony	1.890	+10	40		ESCOR	+0.92	1 222	Creditbank 1
	Telebo Marine	9.5名	1.1	lii		Elder-Smith	†2.15	-0.05	.Kosmos
?	Takeda Chem	405	<u></u>	15	1.5	Endeavour Resources	÷0.34	+0.01	Kreditkassen.,
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•				•		Gen: Property Trust	11.60		Storebrand,
	Teijin	. 155	<b>⊢</b> ¹	10	4.0	Hamersley	. †3.20		
	Tokyo Marine		<b> _5</b>	111	1.0	Hartogen Energy		+0.02	
	Tokyo ElectPow		+1	8	0.4	Hooker		+0.01	<b>JOHANNESBUR</b>
7	Tokyo Sanyo	579	+9	12		ici Australia	12.38	-0.02	JOHNHAESBOK
5	Toray	177	(+1	[ 16	3.0	Inter Copper	±0.30g	(	(· au
ò	Toshiba Corp	172	+2	10	3.0	Jennings industries	10.83	8.02	
•	Toyota Motor	900		. 20	1.1	Jimberiana Minerals	†1.56	+0.69	September 20
i		<del></del> -						H-6'62	Angle American
ì	Source: Niki	to Sect	rities.	Toky	0	Jones (David)	f1.23	(	Charter Consolida
í					_	Lennard Oil.,	†0.24		East Driefontein
:	BRUSSELS/LU.	YEMR		:		Metals Exploration	±0.82	l i	
•	bucameler.	AM-ID:	DONG	•		Metramar Minerals	- +0.18	i	Harmony
•	l .	r		DIV.	, -	MIM Holdings	+4.12	+0.12	Pinnery
	Sept. 20	Price		6	V14	Myer Emporium	+1.64	+0.01	Kinross
	,00pc 20	Fre	70,	Net		News	13.46	+0.01	Kloat
	l <u>.</u>			Mer	, Zo	Nicholas International	±0.95		Rustenburg Pletin
	Arbed	2 525				N. Broken H'dings (50c).	72.15	-0.03	St. Helena
	Bekzert "B"	0 312	15		5.6	Oakbridge	+2.00	1	Southwest
	C.B.R. Cement	7.050	+8	190		Oli Search	10.19	10.02	Gold Fields SA
-	C.B.R. Gement	410	±8		7.6				Union Corporation
•	Cockerili EBES	900	— <u>₽</u>	177	=_	Otter Exploration	10.64	-0.05	De Beers Deferre
	Electrobel	6 E00	+70	455	8.0	Pioneer Concrete	†1.68	-8.02	Blyvooruitzicht
5	Liectropel	220	+ 70 85		6.9	Reckitt & Colman	<b>‡2.80</b>	+0.05	East Rand Pty
Ĺ	Fabrique Nat G.B. Inno Bra	0,000			7.4	Steigh (H.C.)	10.87	( !	Free State Geduld
	G'R' IUUD RUS ""	2,000	15	170	6.5	Southland Mining Spargos Exploration	10.27	4	President Brand.
•	Gevaert	1,114	<u>–16</u>	: 85	7.5	Spargos Exploration	†O.36		President Steyn"
ì	GBL (Brux L)	1,750	-5.	20	5.1	Thomas Nat. Trans	†1.79	-0.01	Stilfontein
i	Hoboken	2,760	+80	170	6.2	Thomas Nat. Trans	†1.66		Welkom
í	Intercom		10	142	8.3	Tooths (4)	+1.79	+0.04	West Driefontein
	Kredietbank	7.150	50	330	4.6	Waltons	10.70		.Western Holdings
	Le Royale Beige			<b>3326</b>		Western Mining (50c)	÷3.38		Western Deep
	Pan Holding,					Woolworths	1145	-0.01	
i	Petrofina	5.160	-10		3.7		· ·		INDU
•	Soc Gen Banque	3.030	<u>—25</u>	220	7.8	PARIS		_	AECI
	Soc. Gen. Beige	1.735			8.1	l Price	1 4 1 THE		Abercom
:	Sofina	3.800	_20	225	6.4	· c co Price			i Anglo-Amer, Indo
	Solvay	2.600	_50	A2.18	81	Sept. 20 Frs.	— Fra	<b>. %</b> ]	Barlow Rand
	Traction Elect.	2.545	+10		7.3	D			CNA investments
	UCB		+5	1-00	1.20	Rente 44 1,558	-62 42	2 0.4	Currie Finance
•	Un Min. (1/10)	749	Tš	40	5.3	Afrique Occ dt. 359	+16 24.7		De Beers Industria
	Vielle M'ntagne	1.466	+28	1 70	<u>                                    </u>	Air Liquide 507	+6   16,	5 3.3	Edgara Conad, Inv
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~	Jennings industries Jimberiana Minerals	†0.1	55 F	-8.02 +0.69	September 20 Rand	
1	Jimberiana Minerala	l +1.	56 J	+6.69 ∶	September 20   Rand	. , <b>T</b> 01 –
		: ;=::	:		Anglo American Con. 940	+0.10
	1008\$ (D8VIQ)	į †1,2	80 (	******	Charter Consolidated 2 55	-0.05
1	Lannard Oil	! ÷∩.5	24 i		Committee Committee . 3,55	<b>-U.U</b> 0
	Marketa Eurola antion	1	- i		East Diretontein 17.10	+0.35
- 1	Mersia Cytholetion	10.4	9 <u>4</u> (		Elsburg 270	40.07
	Jones (David) Linnard Oil Metals Exploration Metararar Minerals Mish Holdings Myer Emporium Netws Nicholas International N. Broken H'dings (50c) Calchidge Oil Search	10.	18 (	+0.12 +0.01 +0.01	Harmony 14 00	0.75
	MIM Holdings	i +4_:	12 l	±0.19	V: 11.30	TU.4:
.	Mary Emporium	1 447	54 5	. 0. 61	-Kintoss 8.20	0.05
ı.	MARL EUROCHAIN************************************	1 ₹≛-1		10.01	Kloot 10 20	-0.10
5	News	15.4	46 I	+0.01	Ruston hung Diselana 10.20	
_	Nicholas International	1 :0.9	96 )		Rustenburg   Platinum   3.37-   St. Helens   25.50     Southwast   16.60     Gold Fields SA   42.50     Union Corporation   3.20     De Beers Deferred   9.25     Blywoorultzicht   8.70     East Rand Pry   112.30     Fres State Geduid   38.00     President Brand   22.57     President Steyn   22.60     Stilfontein   9.40     Welkom   8.35	- TU!
- 1	N Broken Waters (EOs)	1 12.	3E	-0.03	St. Helena 25.50	0.25
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6	Calcoridge	l +2.0	00 I		Cald Dald Da	
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.≥		∤ T±.,	BB		Welkom 8.35	+0.10
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4	western mining (60c)	1 75.	58 J		Western Dean 2250	41.25
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7	PARIS					
5.					i AEC1 4.90	• • • •
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-	Air Liquide 507	+6	24,75 16,5 16.5	7.0 3.3 2.5	De Beers Industrial †17.50 Edgars Consd. Inv 4.05 Edgars Stores 47.50	+0.25
-	Air Liquide 507 BIG	+16 +1 +17	24,75 16,5 15.5 31,5	7.0 3.3 2.5 6.2	De Beers Industrial 117.50 Edgars Consd. Inv 4.05 Edgars Stores 47.50 End Volksbelangings 2.45	+0.25
-	Air Liquide 507 BIC	+6 +1 +17 +40	24,75 16,5 16.5 31,5	7.0 3.3 2.5 6.2 4.5	De Beers Industrial 117.50 Edgars Consd. Inv 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45	+0.25 +0.10
-	Air Liquide 507 SIC	+6 +1 +17 +40	24,76 16,5 16.5 31,5 45	7.0 3.3 2.5 6.2 4.5	De Beers Industrial 117.50 Edgars Consd. Inv 405 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermans Stores 3.76	+0.25 +0.10 +0.06
-	Air Liquide	+16 +1 +17 +40 +8.0	24,75 16,5 15.5 31,5 45 78	7.0 3.3 2.5 6.2 4.5 4.5	De Beers Industrial 117.50 Edgars Consd. Inv 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermane Stores 3.76 Hufetts 385	+0.25 +0.10 +0.05 +0.07
L	Air Liquide	+16 +17 +17 +40 +8.0 -3.0	24.76 16.5 16.5 31.5 45 78 31.6	7.0 3.3 2.5 6.2 4.5 4.5 8.5	De Beers Industrial #17.50 Edgars Consd. Inv. 4.05 Edgars Stores #7.50 Fed. Volksbeleggings 2.45 Grestermane Stores 3.76 Huletts 3.86	+0.25 +0.10 +0.05 +0.07
1	Air Liquide	+16 +1 +17 +40 +8.0 -3.0 +33	24.76 16.5 16.5 31.5 45 78 31.6	7.0 3.5 6.2 4.5 4.5 8.5 6.8	De Beers Industrial 117.50 Edgars Consd. Inv 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermane Stores 3.76 Hufetts 3.85 LTA 2.65	+0.25 +0.10 +0.05 +0.07
1	Air Liquide	+16 +17 +40 +8.0 -3.0 +3.5	24.76 16.5 16.5 31.5 45 78 31.6	7.0 3.5 6.2 4.5 4.5 8.5 6.8	De Beera Industrial 117.50 Edgara Consd. Inv 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermans Stores 3.76 Huletts 2.55 LTA 2.55 McCarthy Rodway 0.83	+0.25 +0.10 +0.06 +0.07
1	Air Liquide	+6 +1 +17 +40 +8.0 -3.0 +33 +3.5	24.76 16.5 16.5 31.5 45 78 31.6 81	7.0 3.5 6.2 4.5 4.5 8.5 6.8	De Beers Industrial 17.50 Edgars Consd. Inv. 4.05 Edgars Stores 97.50 Fed. Volksbeleggings 2.45 Grestvermare Stores 3.76 Hufetts 3.85 LTA 2.56 McCerthy Rodwsy 0.83 NedBank 0.83	+0.25 +0.10 +0.05 +0.07
1	Air Liquide	+6 +17 +40 +8.0 +3.0 +3.5 +3.5 +5.0	24.76 16.5 15.5 31.5 45 78 31.5 81 15	7.0 3.5 6.2 4.5 4.5 6.8 3.3	De Beers Industrial	+0.25 +0.10 +0.05 +0.07 +0.07
- L	Air Liquide	+6 +17 +40 +8.0 +3.0 +3.5 +3.5 +3.5	24,76 16,5 16,5 31,5 45 78 31,5 81 15 9	7.0 3.5 4.5 4.5 8.5 8.5 7.5	De Beers Industrial 17.50 Edgars Consd. Inv. 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermane Stores 3.76 Hufetts 2.86 McCarthy Rodway 0.83 NedBenk 4.30 OK Bazzers 3.70	+0.25 +0.10 +0.05 +0.02
- L	Air Liquide	+6 +17 +40 +8.0 -3.0 +33 +3.5 +3.5	24,76 16,5 16.5 3:.5 45 78 31.5 81 15 9	7.0 2.5 6.2 4.5 4.5 8.8 3.1 7.6	De Beera Industrial 117.50 Edgara Consd. Inv 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermans Stores 3.76 Huletts 2.85 LTA 2.85 McCarthy Rodway 4.30 OK Bazeers 9.70 Premier Milling 6.50	+0.25 +0.10 +0.06 +0.03 +0.03
1 06	Air Liquide	+6 +17 +40 +8.0 +3.0 +3.5 +3.5 +4.0 +0.4	24,76 16,5 16.5 3:.5 45 78 31.5 81 15 9	7.03 2.52 6.55 6.55 6.83 7.5	De Beera Industrial	+0.25 +0.10 +0.05 +0.07 +0.05
- L D 64	Air Liquide	+6 +17 +40 +8.0 +3.0 +3.5 +3.0 +3.5 +4.0	24,76 16,5 16,5 31,5 45 78 31,5 81 15 9	7.0 2.5 6.2 4.5 4.5 8.5 6.8 3.3 2.1 7.6	De Beers Industrial 17.50 Edgars Consd. Inv. 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermans Stores 3.76 Huletts 2.65 McCarthy Rodway 0.83 NedBenk 4.30 OK Bazeers 9.70 Premier Milling 6.50 Pretoris Cement 6.40	+0.25 +0.10 +0.06 +0.07 +0.05
1 0 6 8	Air Liquide	+6 +17 +40 +8.0 -3.0 +3.5 +3.5 +0.4	24,76 16,5 16,5 31,5 45 78 31,5 81 15 9 12,75	7.03 2.55 6.85 4.55 6.83 7.6 4.15	De Seera Industrial   117.50	+0.25 +0.10 +0.05 +0.07 +0.05 +0.05
1 0681	Air Liquide	+6 +17 +40 +8.0 +3.0 +3.5 +3.5 +3.5 +0.4 -90	24.76 16.5 16.5 31.5 45 78 31.6 81 15 9 12.76 26.25	7.03 2.52 6.25 4.55 6.3 8.3 7.6 4.1	De Beers Industrial 17.50 Edgars Consd. Inv. 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatvernare Stores 3.76 Hufetts 2.66 McCarthy Rodway 0.83 NedBank 3.70 Premier Milling 5.70 Pretoria Cement 5.40 Protes Holdings 2.17 Rand Mines Properties 3.55	+0.25 +0.10 +0.05 +0.07 +0.05 +0.05 +0.05 +0.15
5 L D 0 6 8 1 1	Air Liquide	+16 +17 +17 +40 +3.0 +3.5 +3.5 +3.5 +10.4 -90 +3.0	24,76 16,5 16,5 31,5 45 78 31,6 81 15 9 12,76 26,25 15	7.03 2.55 6.85 4.55 6.83 2.7-6 4.1 2.5	De Beera Industrial	+0.25 +0.10 +0.06 +0.07 +0.05 +0.05 +0.05 +0.05
1 068114	Air Liquide	+16 +17 +40 +8.0 +3.0 +3.5 +3.5 +40.4 -90 +18.5	24,76 16.5 16.5 31.5 45 78 31.5 15 9 12.76 26.25 12.76	7.03 2.52 6.65 6.85 7.6 4.55 6.83 7.6 4.5 6.83 7.6 4.5 6.83	De Beers Industrial   117.50	+0.25 +0.00 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
1 0 6 8 1 1 6	Air Liquide	+16 +17 +40 +3.0 +3.5 +3.5 +3.5 +3.0 +10.4 -90 +3.0 +3.0 +18.5	24,76 16.5 16.5 31.5 45 78 31.6 9 12.76 26.25 15	7.03 2.52 6.8 4.5 6.8 3.3 7.6 4.5 6.8 3.7 7.6 4.1 5.2 5.2 7.7	De Seera Industrial #17.50 Edgara Consd. Inv. 4.05 Edgara Stores #7.50 Fed. Volksbeleggings 2.45 Greatermane Stores 3.76 Hufetts 2.65 LTA 2.65 McCarthy Rodway 0.83 NedBank 4.30 OK Bazaers 8.70 Premier Milling 6.50 Pretoria Cement 6.40 Protea Holdings 2.17 Rand Mines Properties 3.55 Rembrandt Group 8.55	+0.25 +0.10 +0.06 +0.07 +0.05 +0.05 +0.05 +0.05 +0.05
1 0 681165	Air Liquide	+16 +17 +40 +8.0 +3.3 +3.5 +3.5 +3.6 +10.4 +18.5 +18.5 +2.4	24.76 16.5 16.5 31.5 45 31.5 31.5 12.76 26.25 12.76 26.25 15 12.76	7.03 2.52 4.55 6.83 3.3 7.6 4.1 2.5 6.8 3.7 4.1 8.9	De Beers Industrial 17.50 Edgars Consid. Inv. 4.05 Edgars Stores 47.50 Fed. Volksbelegglings 2.45 Greatermane Stores 3.76 Hufetts 3.86 LTA 2.66 McCarthy Rodway 0.83 NedBank 4.30 NedBank 9.70 Premier Milling 6.50 Pretoria Cement 5.40 Protea Holdings 2.17 Rand Mines Properties 3.55 Rembrandt Group 8.05 Rettro 5.80 Rettro 6.49	+0.25 +0.06 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5 1 0 6 2 1 1 5 3 5	Rents 41 1,388 Afrique Occ dt 569 Air Liquide 507 SIC 560 Souvgues 570,5 S.S.N. Gervais 1,000 Carrefour 1,758 Ci.E. 570,5 Ci.E. Bancaire 459,5 Cird Beditere 76,5 Cird Meditere 76,5 Dumez 823 Eif-Aquitaine 1,010 Fr. Petroles 345 Gen. Occid'nt'ie 1323 Imetal 63,7 Agaques Borel 120,5	+16 +17 +40 +43.0 +3.5 +3.5 +3.5 +3.6 +16.5 +2.6 +18.5 +2.8	24,76 16,5 16,5 31,5 45 78 31,8 11,76 26,25 12,76 12,76 12,76 12,76 12,76 12,76 12,76 12,76 12,76 12,76	7.03 2.52 4.55 4.55 6.33 7.6 4.15 6.37 4.15 6.37	De Beera Industrial	+0.25 +0.10 +0.05 +0.07 +0.05 +0.05 +0.05 +0.05 +0.05
5	Air Liquide	+16 +17 +17 +17 +17 +17 +17 +17 +17 +18 +18 +18 +18 +18 +18 +18 +18 +18 +18	24.76 16.5 16.5 16.5 4.5 78 31.6 25 12.76 26.25 15 12.76 26.25	7.03 2.52 4.55 6.33 2.16 4.55 6.33 2.16 4.15 6.33 7.6 4.15 6.33 7.6 4.15 6.33 7.6 4.15 6.33 7.6 7.6 7.6 7.6 7.6 7.6 7.6 7.6 7.6 7.6	De Beera Industrial	+0.25 +0.10 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5	Air Liquide	+16 +17 +17 +40.0 +3.0 +3.5 +3.5 +4.0 +3.0 +18.5 +2.0 +18.5 +2.4 -2.6 +2.4 -3.0	24.76 16.5 16.5 16.5 34.5 78 31.8 12.76 26.25 12 5.7 26.16	7.03 2.52 4.55 4.55 4.55 6.33 7.6 4.55 2.52 4.55 3.75 4.55 3.75 4.55 3.75 4.55 3.75 4.55 3.75 4.55 3.75 4.55 3.75 4.55 3.75 4.55 3.75 4.75 4.75 4.75 4.75 4.75 4.75 4.75 4	De Beers Industrial 17.50 Edgars Consd. Inv. 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatvernare Stores 3.76 Hufetts 2.66 McCarthy Rodway 0.83 NedBank 3.70 Premier Milling 5.70 Pretoria Cement 5.40 Protes Holdings 2.17 Rand Mines Properties 8.05 Retoo 6.49 Sage Holdings 1.50 SAPPI 4.36 C. G. Smith Sweer 8.10	+0.25 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.00
5	Air Liquide	+16 +17 +40.0 +3.0 +3.5 +3.0 +3.0 +10.4 +10.4 +10.5 +2.4 -10.5 +2.4 -10.5 +2.4 -10.5	24.76 16.5 16.5 45 78 31.5 12.76 25.25 12.76 26.25 12.76 26.26 26.26	7.03 2.52 4.55 4.55 6.33 2.76 4.15 6.37 4.16 5.37 7.00 7.00	De Beera Industrial   117.50	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5	Air Liquide	+16 +17 +40 +3.0 +3.5 +3.5 +3.0 +18.5 +3.0 +18.5 +3.0 +18.5 +3.0 +18.5 +2.0 +18.5 +2.0 +2.0 +3.0 +3.0 +3.0 +3.0 +3.0 +3.0 +3.0 +3	24.76 16.5 16.5 16.5 78 31.6 12.75 24.25 12.75 24.16 22.75 24.16 22.75	7.03526.4558.65.87.6 4.15.65.87.6 4.15.8 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 5.3 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5 1.5	De Beers Industrial   117.50	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5	Air Liquide	+16 +17 +40 +3.0 +3.5 +3.5 +3.5 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6	24.76 16.5 16.5 45 78 31.5 12.76 26.25 15 26.16 26.16 26.16 26.16 26.16 26.16 26.16	7.03 5.26 4.55 6.35 7.6 4.55 6.37 4.53 7.6 5.7 7.30 5.7	De Beera Industrial 17.50 Edgara Consd. Inv. 4.05 Edgara Stores 77.50 Fed. Volksbeleggings 2.45 Greatermane Stores 3.76 Huletts 2.56 McCarthy Rodway 0.83 NedBank 0.83 NedBank 9.30 OK Bazaers 5.70 Premier Milling 6.50 Preboria Cement 5.40 Protea Holdings 2.17 Rand Mines Properties 3.35 Rembrandt Group 8.05 Ratto 0.49 Sage Holdings 9.49 Sage Holdings 1.50 SAPPI 4.36 C: G. Smith Sugar 8.10 SA Brewartes 1.87	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5	Air Liquide	+16 +17 +40 +8.0 +3.5 +3.5 +3.5 +10.4 +18.5 +20 +18.5 +20 +20 +20 +20 +20	24.76 16.5 16.5 16.5 16.5 16.5 16.5 18.5 18.7 18.7 18.7 18.7 18.7 18.7 18.7 18.7	7.035864.5586.32.564.5586.32.564.5586.32.564.5586.32.564.5586.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.32.5686.	De Beers Industrial 17.50 Edgars Consid. Inv. 4.05 Edgars Stores 47.50 Fed. Volksbeleggings 2.45 Greatermare Stores 3.76 Hufetts 2.86 Hufetts 2.86 McCarthy Rodway 0.83 NedBank 4.30 NedBank 4.30 NedBank 9.70 Premier Milling 6.50 Prebris Cement 5.40 Protes Holdings 2.17 Rand Mines Properties 9.55 Rembrandt Group 8.05 Retto 5.40 Sage Holdings 1.50 Sape Holdings 1.50 SAPPI 4.36 C. G. Smith Sugar 8.10 SA Brewertes 1.57 Tiger Osts and M. Mig. 12.36	+0.25 +0.06 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.00 +0.00 +0.00
5 5 2 4	Air Liquide	+16 +17 +40 +3.0 +3.5 +3.5 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6	24.75 16.5 16.5 16.5 16.5 16.5 16.5 16.5 16.	7.035.8 4.5.5 4.5.5 6.3.1.6 4.5.3 7.6 4.5.3 7.6 7.3.6 8.9 7.8.9 7.8.6 8.8	De Beers Industrial   117.50	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.00 +0.00 +0.00 +0.00 +0.00
555945	Air Liquide	+16 +17 +40 +8.0 +3.5 +3.5 +3.5 +10.4 +18.5 +20 +18.5 +6.0 +27 +27 +3.5	84.65 16.5 16.5 16.5 16.5 16.5 16.5 18.6 18.7 18.7 18.7 18.7 18.7 18.7 18.7 18.7	7.35.26.44.85.31.6 44.85.31.6 42.63.7 8.7.7 8.7.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.8.7 8.7.	SAPPI 4.35 C: G. Smith Sugar 8.10 SA Brewerios 1.87 Tiger Osts and N. Mig. 12.35 Unisec 1.50	+0.25 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
555945	Air Liquide	+16 +17 +40 +8.0 +3.5 +3.5 +3.5 +3.5 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6	24.6.5 16.5.5 16.5.5 16.5 21.6 21.5 21.5 21.5 21.5 21.5 21.5 21.5 21.5	7.35.26.45.58.3.1.6 4.48.63.2.7.6 4.26.3.7.9 7.30.58.4.8	De Beers Industrial   117.50	+0.25 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5559454	Air Liquide	+16 +17 +40 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6 +3.6	84.75 16.5.5 16.5.5 31.5 31.5 31.5 31.7 31.7 31.7 31.7 31.7 31.7 31.7 31.7	7.35.26.44.85.31.6 4.26.37.42.65.7 7.35.94.81	SAPPI 4.35 C: G. Smith Sugar 8.10 SA Brewerion 1.87 Tiger Osts and 8. Mig. 12.35 Unisec 1.50 Financial Rand U.S.\$8.	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5 5 9 4 5 4 5	Air Liquide	+16 +17 +17 +17 +18.0 +18.0 +18.5 +17 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.5 +18.	24.75 16.5 16.5 16.5 16.5 16.5 16.5 17.7 18.7 18.7 18.7 18.7 18.7 18.7 18.7	7.035.85.85.85.85.84.85.58.85.85.85.85.85.85.85.85.85.85.85.	SAPPI 4.35 C: G. Smith Sugar 8.10 SA Brewerion 1.87 Tiger Osts and 8. Mig. 12.35 Unisec 1.50 Financial Rand U.S.\$8.	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
5 5 9 4 5 4 5	Air Liquide	+16 +17 +40 +8.0 -3.5 +3.8 -1.4 +3.8 -1.4 -90 +3.0 +18.5 +2.4 -0.5 +2.4 -0.5 +2.4 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5 -1.5	24.75 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55 16.55	7.0358.65.58.75 44.863.8.75 42.63.78 -7.82.64.88.48.15	SAPPI 4.35 C: G. Smith Sugar 8.10 SA Brewerios 1.87 Tiger Osts and N. Mig. 12.35 Unisec 1.50	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
555945451	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 594 54 51 5	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 594 54 51 5	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 594545155	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 5245451555	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 5245451555	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 59454515555	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
05 594545155554	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
05 594545155554	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 5945451555546	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
05 594545155556468	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
55 5945451555546	dacques Borel	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05
05 594545155556468	130.5   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280   1280	-0.5 -8.0 +6.0 +200 +2? +35 -13 -2.0 +0.5	26.18 22.5 44.25 59.9 41.05 16.75	7.2 5.0 2.5 6.9 4.4 2.8 3.1	SAPPI C: G. Smith Sugar 8.10 SA Brewerins 1.87 Tiger Osts and N. Mig. 12.38 Unisec 1.50 Financial Rand U.S.\$0 (Discount of 261.5)	+0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05 +0.05

10.1	Retco
8.9	Cana Mardinan   CD
1 = 1	Retco
7.2	C. G. Smith Sugar 8.10- +0.10
9.5 P	SA Brewering 1.87 +0.03
5 2.5	Tiger Oats and M. Mig. 12.35 . +0.10
9.9	Unisec 1.50
4.4 2.8 3.1	SAPPI 4.36 C. G. Smith Sugar 8.10 +0.10 SA Brewaries 1.57 +0.02 Tiger Oats and M. Mig. 12.36 +0.10 Unisec 1.50 Financial Rand U.S.\$0.883
	A HIGH CAND VARANCE
0.1	(Discount of 261%)
4.3	
7.8	
3.2	
8.7	Chestin 1
5.8	SPAIN V
7.7 910.8	September 20 - Per cent.
2.7	Asland 106 - 1
9.5	Asland
3.6	Banco Central Zi4
4.8 6.8	Bango Exterior 255
ا <del>د د</del> ۲	8. Graneda (1,000) . 134
<u>!                                    </u>	Banco Kiepano 242
1	Ceo. 1. Cat. (1,000) 153 -
السيا	Banco Medrid 192 —
Yld.	B. Santander (260) 246 . + 1
*	IBCO Hrautio (1.000) .207 .→ 9 I
17.70	88nco Vizcaya 264 -
11.78 6.21	eauco Catadosano 512
6.71	1) PROSING 124 - 3
3.65	Espanola Zinc
9.50	Fecas (1,000)
I	UBI PIRCINGON 54

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- F.28.20
1.70 "
- F.88.80
- F.480.50
- F.480.50
2.80 F.50.60
2.8 S67",
6 F.94.50
3.50 "
6 F.94.50
5.50 F.94.50 2 1.10 0.40 0.70 --2 1 1.50 4 1.60 0.50 18 20 2 79 90 804 1.50 0.10 5.20 15 -1 420 0.10 0.20 F.120 F.100 F.110 F.115 F.120 Fr,4800 F.22,50 F.25,50 F.25,50 295 57 --12 1 15.40 9.70 5.70 2.70 1.60 0.50 KLM KLM NN . NN PET PHI PHI PHI PSA RD 94 32 40 10 40 -10 185 -5 31 4 1 1 2 2 5 5 7 3 7 7 1 2 6 7 7 7 6 7 3 7 F.116,80 

31 156 120 5 20 10 F.127.20 # 7 Feb. 6 TOTAL VOLUME IN CONTRACTS 2069 P=Put C⇒Çali

AB.N. Bank 14 % Hill Samuel \$1.

American Express Bk 14 % Julian S. Hodge 1

A P Bank Ltd. 14 % Hongkong & Shanghai 1

A P Bank Ltd. 14 % Hongkong & Shanghai 1

A P Bank Ltd. 14 % Knowsley & Co. Ltd. 1

Bank of Credit & Cmce. 14 % Knowsley & Co. Ltd. 1

Bank of Cyprus 14 % Knowsley & Co. Ltd. 1

Bank of N.S.W. 14 % Edward Manson & Co. 1

Banque Beige Ltd. 14 % Morgan Grenfell 1

Banque du Rhone et de 1 % Samuel Montagu 1

Barclays Bank 14 % Schlesinger Limited 1

Canada Perm't Trust 14 % Charterhouse Japhet 14 % Charterhouse Japhet 14 % Cooperative Bank 14 % Cooperative Bank 14 % Consolidated Credits 14 % Cooperative Bank 14 % Consolidated Credits 14 % Cooperative Bank 14 % Consolidated Credits 14 % Cooperative Bank 14 % Consolidated Credits 14 % Cooperative Bank 14 % Consolidated Credits 14 % Cooperative Bank **BASE LENDING RATES** Hill Samuel Ryl. Bk. Canada (Ldn.) 14 % Schlesinger Limited ... 14 % E. S. Schwab ... 15 % Security Trust Co. Ltd. 15 % Shenley Trust ... 16 % Standard Chartered ... 14 % Trade Dev. Bank ... 14 % Trustee Savings Bank 14 % Twentieth Century Bk. 15 % United Bank of Kuwait 14 % Whiteaway Laidlaw ... 14 % Williams & Glyn's ... 14 % Yorkshire Bank .... 14 % Members of the Accepting Houses

■ Members of the Accepting Houses Committee.

7-day deposits 11½%, 1-month deposits 11½%,

7-day deposits on sums of £10,000 and under 11½%, up to £25,000, 12%, and over £25,000 12½%.

‡ Call deposits over £1,000 11½%.

5 Demand deposits 11½%

مكذا سا الد الع

### COMMODITIES AND AGRICULTURE

### **EEC** butter export plan approved

BRUSSELS -- The Common Commission approved a proopsal to license butter exports from the Community, it was announced yesterday.

The scheme, proposed by Agriculture Commissioner Finn Olay Gundelach, will be sub-mitted to the EEC's management committee for dairy products before being finally

The decision to introduce licences follows a political row over subsidised butter from the Community's surplus stocks being sold to the Soviet Union. But Mr. Gundelach said earlier that it is cheaper to sell the butter off than to pay to keen it in warehouses.

The Commission said the licences will be granted automatically, just as they are for cereal exports, but the system will enable the commission to keep up to date records of butter

Britain's farmers yesterday demanded a further 5 per cent devaluation of the Green Pound, which would raise the price the housewife has to pay for food. The Green Pound is the artificial exchange rate used to translate EEC farm prices into sterling.

They also urged the Government to pay them more for

Mr. Richard Butler, president of the National Farmers Union, said in London that some secfors of British agriculture have been brought close to financial disaster by the way in which the Green Pound system has been used."
"There have to be adequate

prices to meet the cost-inflation we face," he said He sald the gap between the

Green Pound and sterling had widened to about 10 per cent.

### Pakistan cotton surplus put at 2m bales

KARACHI—Pakistan will have an exportable surplus of cotton of 2m bales during the current has had a good harvest. crop season which started on September 1, the newspaper Soviet grain imports in 1979-80 Dawn reported.

It said the current year's crop will yield about 4m bales, 400,000 more than the Government estimate, and a further 400,000 bales of cotton are estimated to have been carried over from last

# French challenge UK fishing fines

complaint with the European Court of Justice against British sanctions on shrimp fishermen from Brittany operating in British waters; French transport minister M. Joel Le Theule said

yesterday, reports Reuter "The French Government will file a complaint against Britain's unilateral move which is inconsistent with the EEC

treaty," he said. On Tuesday, M. le Theule cancelled a meeting with Mr. Peter Walker, agriculture and fisheries minister after pro-testing over fines imposed on Breton shrimpers for using nets which Britain considers to have too small a mesh.

Two French trawlers fishing for shrimps off the South Wales coast were boarded by British coastguards last week and their captains subsequently fined \$250 each by magistrates.

The minister announced the complaint action after conferring with Common Market agricultural commissioner Finn

PARIS - France will lodge a Breton fishermen who said they would not sail again until they received compensation for losses incurred.

> Our commodities staff writes In London meanwhile Ministry of Agriculture officials said Mr. Walker had written to M Le Theule pointing out that the rules under which the shrimpers were arrested had been in force since 1965 and had not been imposed unilaterally after Britain joined the Common Market.

He said Britain's rules on net mesh size were no more illegal than those the French to protect their lamb market.
Mr. Walker said be regretted

that the French were not taking part in bilateral talks on revision of the EEC common fisherles policy.

The officials said Britain had recently been involved in fisheries talks with all EEC members except France and the Irish Republic. Talks with fisheries policy.

He also met a delegation of added.

# Big grain shortfall in Eastern Europe

BY LESLIE COLITT IN BERLIN

EASTERN EUROPE this year, apart from the Soviet Union, will have to import 6m tonnes of grain more than last year from the West because of bad likely. harvests in Poland and Czechoslovakia.

West Germany's leading grain dealer, Alfred C. Toepfer, which also supplies East European countries, says in its monthly market report that Poland's grain harvest is down 19 per cent while Czechoslovakia's has

failen by 18 per cent.
Only East Germany, among the Comecon grain importers, The Toepfer report says

could run to at least 30m tonnes and that American deliveries during the fourth year of the Soviet-U.S. grein agreement, beginning October 1, will "certainly exceed 15m tonnes and between the two countries." tonnes of grain it tool
The USSR, it notes, has so far
mainly from the U.S.

bought 3m tonnes of grain each from Canada and Australia and it says that further purchases there and other countries are

Grain traders in Hamburg which is the transhipment point for grain bound for Eastern Europe, note that Poland may not be able to import its actual fodder requirements because of hard currency shortages and that it may have to slaughter

However, Poland has had an above-average potato harvest so that to some extent potatoes can be used as animal feed.

East Germany's grain harvest motches last year's results because of favourable weather conditions compared with spring flooding and summer wetness in and Czechoslovakia. East Germany is not expected necessitate new consultations to import more than the 3m tonnes of grain it took last year,

### Cocoa hit by fall in dollar

By Our Commodities Staff

THE CONTINUED weakness of the dollar encouraged a sharp decline in cocoa futures prices on the London market yesterday. The December quotation ended near the day's lows at £1,486 a tonne, £50.5 on the day.

Having opened lower, in line with the overnight tone in New York, prices held fairly steady during the morning when selling pressure was well absorbed by commission house buying and trade cover-ing against earlier "short sales.

But the decline gathered pace as this support dried up during the afternoon.

Accra radio reported meanwhile that Ghanaian commercial banks have agreed to extend credit facilities to the country's cocoa farmers.

The scheme is aimed at providing funds to help farmers, operate during the

cocoa off-season and to enable them to rehabilitate their

In Santo Domingo, the Dominican Republic's agriculture ministry said, onethird of the country's cocoa plantations were affected by hurricane David and tropical storm Frederic which battered the country earlier this month, reports Reuter. The Ministry said of 94 000

hectares of cocoa plantations. 33.000 hectares were affected. and 82.314 quintals of cocoa worth \$18.4m were lost.

### I and advance some young

By Our Commodities Editor

LEAD PRICES advanced again on the London Metal Exchange yesterday on expectations of renewed Soviet buying and fore; casts of a steep fall in warehouse stocks.

However, the cash lead price, after reaching a peak of more than 563 in early trading, fell back in the afternoon as the dollar weakened against sterling to close only £7 up at £555 5 a tonne.

The fall in the dollar turned early gains in copper and zinc to small losses by the afternoon close. However, tin prices remained buoyant on fears of a renewed supply soureze and esh tin closed £130 higher at £7,120 a tonne.

SILVER MARKET

# Mystery behind the boom

BY DAVID LASCELLES IN NEW YORK

IT WOULD be no exaggeration can investors. to describe the U.S. silver markets as chaotic during the the price of silver to levels last few days. Since September 1, the price of silver in New York and Chicago has gone up by more than 50 per cent, on many days silver futures con-tracts have risen the full allowable limit shortly after the opening of trading. And few people care to predict how or when it will all end.

Trading floors abound with rumours and speculation as to the reasons. Some people blame heavy Arab buying. others the scheming of mysterious speculators. It is even suggested that the strong possibility that Senator Edward Kennedy will now run for the Presidency and fuel inflation with his Liberal policies has

encouraged the rise. Amid all the confusion, some pattern is discernible. About a month ago, strong buying developed from a narrow quar-ter yet to be identified. Traders say it could have originated in the Middle East, but could equally well be a small group of

This buying quickly pushed which the market considered unrealistic, so a large number of traders went short. However, buying demand persisted, and the market achieved an unexpected momentum.

Traders with short positions

were eventually forced to get out by buying. But by then the small speculators who account for much of the market's liquidity had pulled out in fear. Supply dried up, but demand remained very strong. Hence the highly unusual trading patterns of the last few days. with very strong pressure on the buy side, comparatively low turnover, and a high level of open interest. And, as one Chicago dealer said yesterday "the story is not yet over."

The likelihood of further sharp rises in the silver price is based on two things: First, that most demand in the past few days has been in the form of short covering—there has been little accumulation of silver which could subsequently

Second. to do so would only knock the bottom out of the positions they have so painstakingly built

up.

This is not to say that the market expects silver to keep soaring, rather, it has yet to what circumstaces could bring the recent rise to an end.

The one point on which the silver market has little doubt is that the rise in the metal's price has helped up the price of gold, and not vice versa. The price ratio of silver to gold haas started to narrow recently, indicating that silver is more dynamic than gold. The inter-reaction of the gold and silver markets is also discernible in New York where silver trading stops at 2.15 pm and gold at 2.30 pm. In the brief 15minute spell between the two. gold occasionally sheds some of its gains, deprived of the motor

The authorities have viewed recent events on the silver markets with some concern. Both determined European or Ameri- be sold, depressing the price. the Comex in New York and in the precious metals markets.

mysterious the Chicago Board of Trade buyers are unlikely to sell since have sharply raised the margin requirements for futures trading in silver. This did little to slow the surge in the silver price. Rather the opposite: It increased pressure on traders with short positions to cover them, thereby increasing demand. However, ultimately these measures should restore some order to the market by

reducing open interest.
The Commodity Futures Trading Commission, the Washington watchdog of the futures markets, has said it is keeping close eye on the situation, though for the time being it expects the markets to regulate themselves.

Whatever technical factors may have been responsible for silver's rise in the past few weeks, it may also be seen in the context of investors' flight from paper securities and currencies. A steady migration has been visible for some time now, and so long as inflation in the U.S. persists at its 13 per cent plus rate, this is bound to remain a significant factor

### Loss fears in London

BY JOHN EDWARDS, COMMODITIES EDITOR

IT IS GENERALLY agreed in is what is going to happen when London that the U.S. markets the bubble bursts. Many comwhere the recent surge in silver panies are already rumoured to started still hold the initiative. De in serious manner ties on both sides of the Atlantic There are many theories about as a result of the unprecedented the boom and one is that Nelson rise in prices. Cash-flow prob-Bunker Hunt, the Texan oil lems could be serious for many billionaire, who tried to corner traders, especially those trying the silver market some years to take advantage of price ago is behind the latest rise.

Bunker Hunt is always blamed for any out-of-the-ordinary move in the silver market, and there is little evidence except that the Dallas branch of a big commis-Dailas branch of a big commis-sion house is said to have been falls have to be paid up each a big buyer.

London is that a big Chicago syndicate, seeing that the market was technically vulnerable, made the initial move and succeeded beyond its wildest dreams. This is based mainly on the fact that there has been some extremely professional manoeuvrings in the silver market of the type often used to manipulate grain prices.

the main concern in London now follow.

differentials between the London and New York markets.

Although a purchase in London should in theory offset a sale in New York there is a different financial structure. In day, but the offsetting profits Another popular theory in made in London are not available until the delivery date falls

At the same time there are reports of heavy losses either brokers, who were con vinced silver prices would fall or as a result of being unable to call up clients' margins sufficiently quickly. One company, unwise enough to grant silver options, has already been forced into voluntary liquidation and But whoever is responsible, it is feared others might well

## HK plays down 'problem'

Exchange Society, which hardles Hong Kong's massive gold trade turnover, closed ranks today in the face of widespread reports that one of its member companies had been unable to meet its obligations as a result of losses on the silver market.

The Exchange admitted that there had been a "domestic" problem but this had been settled by members and there was nothing more to be said. The sum involved is believed to have been about HK\$ 12m (about

Coincidentally, Mr. Woo Hon Fai. Exchange chairman, announced that margin requirements to carry over positions from one day to the next-the basis of the Exchange's complicated forward trading system-

was being increased. The incident is unlikely to shake seriously confidence in the Exchange or throw doubt on the ability of its members, many could weaken the Exchange's position in its fight to prevent the ailing Hong Kong Commodi- in February.

THE CHINESE Gold and Silver list of items which are spas modically traded there.

The Chinese gold and silver exchange is a tight and secretive organisation which conducts its business in Cantonese, using the traditional Chinese weight, the Tael, and dealing Hong Kong dollars. Notwithstanding its archaic aspects, it trades more gold than any exchange outside Europe.

### India denies export plan

NEW DELHI - The Indian Government is not considering the export of silver, a spokesman said. He was commenting on Indian Press reports the Government was reconsidering its .ilver policy.

Sources at the State Trading Corporation said the Governof whom are extremely rich, to ment has so far permitted the rescue any defaulter. But it export of less than half the 36 tonnes of silver held up when the export ban came into effect

### BRITISH COMMODITY MARKETS

London Metal Exchange After tradium err. Incally throughout the day reflecting the share fluctuations in sterling and the delier, forward metal reflied from around £916 to touch £926, sided by the strong recovery in gold, to close the lain Leth at £924.5. Turnover 17,050 tonnes.

a.m. + or p.m. + or Official - Unofficial -£ £ £ 

METALS

In mover through the £7,000 level. A strong demand for each material windered the backwardstron to around £70. Bedge soling pared the price to roce already and pared the price to roce already and pared the price to roce already to close the late kerb at £50. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to roce already to close the late kerb at £70. Bedge soling pared the price to

TIN Official - Unofficial -Settlem t 7080 + 185 7110-30 + 80 Crash ... 7070-80 + 185 7110-30 + 80 Crash ... 7015-25 + 87.5 7050-5 + 198 Settlem t 7080 + 185 Crash Cr

Three month Gold 394-400. LG. Index Limited 01-351 3466. 29 Lumont Road, London SW10 OHS. 1. Tax-free trading on commodity futures.
2. The commodity futures market for the small investor.

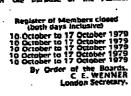
### **INSURANCE BASE RATES**

† Vanbruch Guaranteed ...... 121% Address shown under Insurance and Property Bond Table.

### COMPANY NOTICES

GOLD FIELDS GROUP NOTICE RE CLOSING OF REGISTERS OF MEMBERS NOTICE IS HEREBY GIVEN that the REGISTERS OF MEMBERS of the rementioned tourseases will be CLOSED for the purpose of the Annual rel Meetings as follows:—

Name of Company (Lack Incorporated in the Republic of South Africa) December of South Africa December Limited Kloor Gold Mining Company Limited Libanon Gold Mining Company Limited Ventrapol Gold Mining Company Limited West Driefbottin Gold Mining Company Limited West Driefbottin Gold Mining Company Limited Landon Office: 49 Moorpato, Landon 2028 68Q.



## ROLFE GROLAR COMPUTER SERVICES SERVICES LIMITED

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For further details contact: S.C. Rapkin, Rolle & Nolan Computer Services Ltd. 194-200 Bishopsgate, London EC2M 4NR Tol.01623 6941

Cash ... 562.5-3.5+18.5 555-6 +7
8 months 557-8 +15 555-6 +8
5'ment ... 568.5 +18.5 - 558
U.S. Spot. -18.5 - 58 Morning: Cash 2564, 65, 66, 65, 64, 63, three months 2582, 61, 60, 59, 57, Kerb: Three months 2555, 56. Afternoon: Three months 2559, 58, 54, 52, 83, 55, 56, 57, 56. Kerb: Three months Sales 7.765 (1.836) bits of 10 tonnes. International Cocua Organisation (U.S. cents per pound): Daily price Sept. 19 147.73 (148.62), indicator price Sept. 20: 15-day average 145.f (145.91): 22-day average 145.27 (145.05). 237. —Easier. Forward metal rose to 234 on the pre-market, influenced by the sharp rise in lead, but subsequently fell away on prolit-taking to close the late kerb at £344. Tumovar 8,050

Cash...... 359-40 +5.75 332-3 -3.5 3 months 348-9 +4 341-2 -3.5 9/ment... 340 +4 -355-7 .... 

ALUMINIUM — Barely changed on balance: Forward metal rose atrongly in the morning to touch £740, mainly owing to the fell in sterling. However, profit-taking pared the price to £730 in the alternoon before short-covering prompted a close of £735 on the late kerb. Turnover 4,750 tonnes.

a.m. t or p.m. t+or Official — Unofficial — 739.40 +5 734.5 —2 785.8 +5 730.1 —1

Morning: Cash £739, three months £739, 38, 38.5, 39, 38.5, 37, 36. Kerb: Three months £735. Attennoon: Three nonths £732; 30. Kerb: Three months months £732, 30. Kerb: Three months £735. NICKEL—Very quiet with forward metal moving in a £15 range before closing the late kerb at £2,875. Yara-over 306 tonnes.

NICKEL s.m. + or p.m. + or Official - Unofficial -

\* Cents per pound. ‡ \$M per picul. † On previous unofficial close.
Morning: Three months £2,680, 70, 60, 70. Alternoon: Cash £2,680, three months £2,670. Karb: Three months £2,670.

SILVER

Silver was fixed 39.3p an ounce higher for spot delivery in the London builion market yesterday at 781.4p. U.S. cent equivalents of the fixing levels were: aport 1.650.0c, up 105.7c; symonth 1.783.2c, up 106.7c; and 12-month 1.782.3c, up 105.7c; and 12-month 1.782.3c, up 130.5c. The metal opened at 635-735p (1.475.1.575c) and closed at 750-800p (1.625-1.725c).

761.40p +69.5 744.5p +46.6 784.40p +41.5 796.0p +77.5 799.40p +42.5 839.40p +54.5 —

1345—Turnover 155 (148) lots of 10.000 ozs. Morning: Three menths 790. 85, 80. 70, 75, 74. Kerb: Three manths 774, 78, 78, 85. Alterman: Three months 760. 65, 70, 90, 92, 95, 94, 98, 87 Kerb. Three months 779, 95, 800, 802, 3, 2. COCOA -

The London market opened firmer than anticipated as Cantinental buyers took adventage of strong exchange rates against Sterling. Values traded questly in a narrow range during most of the morning, but as Sterling gained ground in the afternoon callars became more activo. In the literature of the more activo, the May position immitted with the continued selling as the market reopened depressed values further and

Robustas tended easier during the moming session with prices once again locked in a tight range throughout, reported Draxel Burnham Lembert. The afternoon was fairly active and some late trade buying contributed towards a monor rolly with values reaching the daily highs.

September 1842-1846 —18.5 1844-1825 November 1876-1878 —7.5 1879-1867 January.... 1888-1890 —8.5 1895-1877 March 1849-1850 —6.0 1885-1851 May 1836-1841 —11.5 1829-1814 July 1821-1851 —13.5 Sept...... 1810-1830 —18.5

Sales: 3.554 (2.576) lots of 5 tonnes.
ICS Indicator prices for September 19 (cents per pound): Other Mild Arabicas 206.50 (207.00). Robustas ICA 1976 188.50 (190.00). ICA 1988 189.75 (190.25). Unwashed Arabicas 210.00 (same). Comp. daily ICA 1998 204.75 (205.00).

GRAINS

LONDOON GRAIN FUTURES — The market opened 30 lower on wheat and 35 lower on barley and found strong selling from country and commercial sources, and values on wheat moved 1 point to 50 points lower with particular pressure on the November option. At the lows, mare was a fair amount of short-covering and support from wheat/barley spreaders, and values improved from the lower with the deferred options in demand. Burley was the weaker component of the market today and values dipped to 60 lower although once again the deferred options found good support from short coverers and hadge buying in the face of strong commercial selling, and values closed between 35-50 points lower, reported Acts. LONDOON GRAIN FUTURES - The

BARLEY Sept. 95.50 -0.49 90.10 -0.55 Nov... 95.60 -0.55 92.50 -0.45 Jan... 99.70 -0.16 96.55 -0.49 Mar... 102.90 -0.20 99.75 -0.25 May... 106.20 -0.10 102.75 -0.25 Business done—Wheat: Sept. 93.5593.40, Nov. 95.70.95.45, Jan. 93.7099.40, March 102.85-102.50, May 106.15105.30, Sales 233 lots of 100 tonnes.
Barley: Sact. 90.40-90:10, Nov. 92.5592.35, Jan. 96.50-96.35, March 93.8093.55, May 102.80-102.55, Sales 251 lots of 100 tonnes.

ol 100 tonnes.

IMPORTED—Wheat: CWRS No. 1, 139 per cent, unquoted, U.S. Dark Northern Sorme No. 2, 14 per cent, Sept. 101.65.
Oct. 101.30, Nov. 102.90, transhipment East Coast, U.S. Herd Water, 139 per cent, Oct. 102.90, Nov. 103.65, transhipment East Coast. EC unquoted. Masze: U.S. French Sept. unquoted. Oct.-Dac. 110.50, transhipment East Coast. S. African Vellow Sept. -Oct. 82.50 nominal. Barleys English Feed 100 Oct. 93, Oct.-Dac. 55.50, Jan.-Merch 101, East Coast. Sorghum: U.S./Argentine unquoted. Oct. Scandinevian (sed unquoted. Oct. Scandinevian (sed unquoted. Oct. Scandinevian (sed unquoted. Oct. Scandinevian (sed unquoted. Scandinevian (sed unquoted. Oct. Scandinevian (sed unquoted. Scandinevian (sed unquoted. Scandinevian (sed unquoted. Scandinevian (sed barley: S. East 30.40, S. West 97.70, W. Middands 85.70, N. West 97.70, W. Middands 85.70, N. West 97.70, W. Middands 85.70, N. West 97.70, Will increase in 1.055.

The London physical market opened unchanged, with erratic conditions, throughout the day, closing uncertain. Lewis and Peat reported a Malaysian godown price of 278 (same) cents a kg (buyer, October).

No. 1 Yesterd'ys Pravious Business R.S.S. Close Close Done 

Sales: 311 (350) at 15 tonnes 6 at 5 tonnes. 5 tonnes.
Physical closing prices (buyer) were:
Spot 61.25p (60.75p), Oct. 64.25p
(64.00p); Nov. 65.25p (65.00p).

SOYABEAN MEAL The London market opened slightly essier but found commercial support at lower levels, reported T. G. Roddick. Fairly active trade in beans on the Conunent gave the market steady tone and prices finished on highs showing small gains.

. Sales: 87 (73) lots of 100 tonnes.

LONDON DAILY PRICE (raw sugar): 517.00 (same) a tonne cif (or Sept... Oct... Nov. shipments. While sugar daily price was £128.00 (£128.00).

First trades were up to 100 points above kerb lavels but the highs were soon lost. Later prices declined further following a "sell" recommendation from a major commission-house and the market closed at the lows of the day, some 150 points below the best levels, reported C. Carnikow.

Sales: 4.310 (4.987) lots of 5 tonnes.
Tate and Lyle ex-refinery price for granulated basis white sugar was £29.55 (same) a tonne for home used and £189.50 (£189.00) for export.
International Sugar Agreement (U.S. cents per pound fob and stowed Caribbean port). Prices for Sept. 19.
Daily price 9.92 (10.06): 15-day average 9.82 (8.78)
LONDON WHITE SUGAR—Close (in order, buyer, seller, business, sales). order, buyor, seller, business, sales). Nov. 127.10, 127.20, 128.00-126.00, 101; Feb. 132.40, 132.50, 134.40-132.25, 347; April 135.60, 135.65, 137.50-135.50, 225. July 138.00, 140.00, nil, nil; Sept. 141.00, 144.00, nil, nil; Nov. 144.00, 145.00, nil, Feb. 142.00, 150.00, nil, nil. Sales 470.

**WOOL FUTURES** 

WOOL FUTURES

LONDON GREASY WOOL—Close (in order buyer, seller enly). Oct. 218.0, 233.0; Dec. 218.0, 238.0; March/May/July/Oct./Dec./March 228.0; 238.0.

NEW ZEALAND CROSSREDS—Close (in order buyer, seller, business, sales). Oct. 180.0, 185.0, ni. Dec. 190.0, 200.0, 195.0, 10; March/May/July/Oct./Dec./March 190.0, 200.0, ni. qui. Sales 10.

BRADFORD WOOL—Prices are still mainly affected by currency fluctuations which have produced increased quotations, dealers said. Primary market reports indicate a similar direction for wool costs. Business remeins patchy though thate is naturally more keenness to keep requirements very fully covered. Reuter

SYDNEY GREASY—Close (in order leuter SYDNEY GREASY—Close (in order suver, seller, business, sales), Micron

### PRICE CHANGES

Sept. 20 + or | Month 1979 - ago . 2710/50 

Platin'mtr'y oz £181.0 ....5143:148 ...81.015 onut (Phil), \$940.0r !.....

Grains Barley Futures £92.50 -0.46£91.55 French NooAM,£110.50r

Wheat No. 1 Red Spg. 2108.90: 1 £101.5 No2HardWint £108.90: —1 £101.5 Eng. Millingt. £95.0 commoditie

\* Nominal. † Newcrop. ‡ Unquoted t Sept. w Sept.-Oct. x Oct. y Oct-Nov. s Nov. z Indicator. § Buyer.

COTTON

LIVERPOOL—No spot or shipment sales were rocorded, leaving the total for the week at 370 tonnes. Buyers showed a marked reluctance to operate and business was static. Lack of enterprise among users meant that only limited interest was shown in African styles. **MEAT/VEGETABLES** 

MEAT/VEGETABLES

SMITHFIELD—Pence per pound, Beet;
Scottish killed sides 60.0 to 65.0; Eire
hindquarters 69.0 to 72.0, forequarters
43.0 to 45.0. Lamb: English small 64.0
to 60.0, medium 62.0 to 55.0, heavy 46.0
to 52.0; Scottish medium 52.0 to 56.0,
heavy 46.0 to 52.0. Imported frozen:
AT PL 48.0 to 49.5, PM 47.0 to 48.0.
Porte: English, under 100 lbs 38.0 to
47.0, 100-120 lbs 37.0 to 48.0, 120.
160lbs 36.0 to 45.0. Grouse: Young
best (each) 280.0 to 320.0.
COVENT GARDEN—Prices in storling
per package except where otherwise
stated. Imported produce: Oranges—
S. African: Valencies 4.00-5.20, Navels/
Protees 3.80-4.30: Brazilian: Peres 2.002.50, Valencie Lates 64/144 3.20-5.00.
Lemens—Italian: 100/150s 5.00-6.50:
Spanish: Trave 2.00-2.80; Turkish: 100/
120s 6.00: Brazilian: hall-boxes 4.00.
Grapefruit—Dominican: 23/63a 6.509.50; Honduras: 26s 7.50; 48s 8.50;
Jamaican: 27/64s 8.00-9.60; Argentine:
38/64s 7.00-9.00. Apples—French:
Golden Delicioue, new crop, boxes 40
lb 15C/173 4.00-4.0; 20 lb 2.10-2.20;
Jumble pack 31 lb 2.90; Granny Smith 40
lb 6.00-6.20. Pears—Spenish: Williams
per 1b 0.16; French: Williams 28 lb 3.34;
ltelian: Williams per 1b 0.18. Plums—

### ties Exchange to add gold to the Reuter

**AMERICAN MARKETS** NEW YORK, Sept. 20.
THE STRING of limit advances in silver and gold has run its course. Gold sold off moderately while silver finished of a good gain. Grains and exceptions.

July 480.80, Oct. 485.70, Jan. 489.70.
Sales, 2,624.
Potatroes (round whites)—Nov. 62.5
(62.0), March 73.0 (77.5), April 92.4,
May 99.9. Sales, 377.
\*\*Silver—Sept. 1540.0-1550.0 (1520.0),
Oct. 1534.0 (1531.0), Nov. 1551.0, Dec. 1560.0-1610.0, Jan. 1608.0, March 1600.0-1610.0, May 1580.0-1620.0, July 1605.0, Sept. 1613.0, Dec. 1623.0, July 1625.0, Dec. 17.50.0, Dec

and gold has run its course. Gold sold of a good gain. Grains and soyabsans were slightly higher on buying associated. with inflationary psychology. Copper finished moderately higher alter profit-taking resulted in a sharp sell-off from the day's highs. Cocoa was in a major decline, highly yielding to trade and producer selling. Profit-taking in sugar and corton resulted in small losses. Cattle futures continued lower on trade and local selling, while the entire ports complex was up on evening-up of positions ahead of the pig crop report. Coffee was mixed on speculative bear-spreading. Heinold reported.

Coffee—" C " Contract: Sept. 213.33 (217.00). Dec. 214.83 (212.08). March 248.00.11 (53.6). June 1708.4, Aug. 1730.1. \$20.280, May 187.75, July 185.94, Sept. 196.94, Dec. 193.85. Dec. 89.05, Jan. 87.85, March 283.10, May 28.70, July 88.85, Sept. 88.10, Nov. 87.30, Dec. 87.50, 29.89.10, March 89.20, May 89.30, July 99.40.

\*\*Pletinum—Sept. 470.00 (450.00), Oct. 473.00, March 273.00, March 273.00,

NEW YORK. Sept. 19.
Coops—Sept. 139.25 (141.65), Dec. 138.95 (141.90), March 141.95, May 143.80, July 145.25, Sept. 147.15, Dec. 64.40-64.45 (64.34), March 65.10, Copper—Sept. 86.40 (84.75), Oct. 86.40 (84.75), Nov. 86.70, Dec. 87.70, July 88.80, Sept. 89.00, Dec. 87.70, July 88.80, Sept. 89.00, Dec. 89.20, 105.50, July 108.00, Sept. 106.50, May 89.60, July 108.00, Sept. 106.50, Nov. Jan. 89.40, March 89.50, May 89.60, 105.50, Jan. 102.50, Sales, 500.

INDICES FINANCIAL TIMES

dese: July 1, 1952=100) - MOODY'S

Sept. 19 Sept. 18 M'nth ago Year ago 1141.8 | 1147.7 | 1087.30 | 939.9

(Average 1924-25-26-100) REUTERS Sept.20 Sept.19 M'nth ago Year ago 1680.2 1615.3 1571.2 | 1478.1

5/14s 2.20-2.80, graan 2.50-2.80, Onions-Spanish: 2.80-3.20: Dutch: 2.20-2.50. Tomatous—Jersay: Per tray 1.00-1.30; Dutch: 1.40; Guernsoy: 1.50, Cabbages—Dutch: White, net 2.30,

(Basa: September 18, 1931-100)

# Wednesday's closing prices

### **EUROPEAN MARKETS**

ROTTERDAM, Sept. 20.

Wheel—U.S. No. 2 Dark Hard Winter, 13.5 per cent, Nov. \$205, Dec. \$206, Jan. \$211, Feb. \$213, March \$215, U.S. Hard Winter ordinary unquoted. U.S., No. 2 Red Winter Oct. \$194, Nov. \$186, Dec. \$206, Jan. \$213, Sept. \$232.50, Oct. \$235.50, Nov. \$2 Red Winter Oct. \$194, Nov. \$189, Dec. \$210.50, Jan. \$216, Feb. \$219, March \$221, April-May \$200.

Baize—U.S. No. 3 Corn Yellow alloat \$140.75, Sept. \$139, Nov. \$139.75, Oct. \$130, Sept. \$213, Sept. \$232.50, Oct. \$235.50, Nov. \$243, Nov.-March \$251, April-May \$200.

Baize—U.S. No. 3 Corn Yellow alloat \$140.75, Sept. \$139, Nov. \$139.50 cct. \$139. Nov. \$139.50 cct. \$239.50, Nov. \$243, Nov.-March \$251, April-June \$150.50 sellers, Oct. \$231.50, Nov. \$243, Nov.-March \$251, April-June \$150.50 sellers, Oct. \$231.50, Nov. \$255.50, Nov.

**DOW JONES** 

Dow Sept. Sept. Month Year Jones 18 18 ago ago

Spot ... 407.13406.68 401.14380.12 Ftur's 413.82,414.46 415.20378.93

Sept. 18 Sep. 18 M'nth ago Year ago 292.73 295.04 285.42 254.04

(December 31, 1931 - 100)

Government Secs.

Fixed Interest .....

industrial .

Gald Mines..

FINANCIAL TIMES STOCK INDICES

73,74 72.71

10 am 456.7. 11 am 456.5. Noon 456.7. 1 pm 456.4. 2 pm 456.5. 3 pm 457.2. Latest index 01-246 8026. Ni = 8.40.

High | Low

160.4 50.53 (28)11(47) (3)1/75)

558.6 49.4 (4,5/79) (28/6/40)

442.8 43.5 (22/6/75) (26/19/71)

OPTIONS

NEW HIGHS AND LOWS FOR 1979

Settle-

237.1 54.3 (5/4/74) (26/8/78)

6.96

18,253 16,967 16,532 18,511 14,235 14,467

72.01

72.58

458.1

211.5

191.3

7.12

18.44

Base 100 Govt. Secs. 15/10/26. Fixed It 1/7/35. Gold Mines 2/9/55. Ex-\$ premium SE Activity July-Dac. 1942.

HIGHS AND LOWS

66.08 (|3/2)

(12/2)

129,9 (17/4)

95.2

High | Low

558.6 (4/5)

DEALING DATES

Deal- Declara-

Oct. 15 Oct. 26 Jan. 24 Feb. 24

For rate indications see end of

Share Information Service

NEW HIGHS (16)

STORES (1)

PAPER (1) vincial Poster SHIPPING (1)

TRUSTS (1)

NEW LOWS (65)

STORES (2)

Selincourt ELECTRICALS (7)

CANADIANS (2)
Canadian Pacific Imperial Oil
BuillainGS (7)
Marshalls (Halifat)
CHEMICALS (1)

Lee Cooper INDUSTRIALS (3)

Firestone Tire

Bank Leumi (UK)

Building Stindley

Tibury

Fisher (J.)

Exploration Co.

1 Oct. 12 Jan. 10 Jan. 21

First Last

Deal-

Sopt. | Sopt. | Sopt. | Sopt. | Sopt. | Sopt. | A Year

460.3 468.7 466.0 467.7 467.6

210.6 214.8 207.7 205.0 194.8 184.1

192.1 194.6 190.6 186.4 174.5 126.2

18.35 18.03 18.12 18.11 18.10 14,54

75.09 66.97 58.83 72.11 67.57 91.89

Fixed lat. 1928. Industrial dur premium index started June, 1872

6-d'y Av'r'ge Gift Edged Industrials Speculative Totals

Stocks favoured for the call

included Racal, Cons. Gold, Decca. Allied Colloids, FNFC.

Harris Queensway, Premier Oil.

Burmah, Joseph Webb, Howard Machinery, Bolton Textile, Winn

Industries, Lonrho, Woodside, Attock and Baker Perkins. No

puts were dealt, while a double

was completed in Gulf Stream.

S.E. ACTIVITY

84.8 97.5

12,097 11,761: 20,820, 10,739 11,411 16,863

6.68 6.79 6.76 6.76 6.77

71.94 72.43 79.75 70.83

72,69 73.11 73.14 78.89

7.00 6.99 6.99 6.12

# Bank's warning of bleak industrial outlook further unsettles equities and causes reaction in long Gilts

Account Dealing Dates

Dealings tions Dealings Day day's gains and a little more. Sep. 10 Sep. 20 Sep. 21 Oct. 1 In this market, too, most of the agreement trade was effected

The Bank of England's grim warning that industry may well experience its worst financial squeeze for five years served further to undermine stock markets yesterday. Also very much in the forefront as an adverse market influence was the growing threat of increased confrontation in the engineering industry should more employers decide to close their plants.

action by lowering values at the opening but once again the move fractionally. failed to deter nervous offerings from smaller investors worried about the outlook for manufacturing industry. Business was compressed into the first hour of trading and thereafter some leading issues rallied with ICI

announcements generated several other features, but the volume of business failed to expand to any great extent with total bargains amounting to 18,253 compared with 16,967 on

Wednesday.
The FT 30-share index had extended its recent slide by a further 3.9 at 1 pm but, aided by a slight marking-up in trade after the official close, it rallied to end a net 2.2 down at 458.1: this represents a fall of 19.3 in the last seven trading sessions.

LASMO

RTZ 25p Shell Transport... 25p

| Shell | Iransport... | 25p | 1mperial Group... | 25p | Barelays Bank | fl | GEC | 25p | ICI | .... | fl |

Distillers ...... 50p
Hawker Siddeley 25p
Marks & Spencer 25p

No. Denomina- of

\*First Declara- Last Account surrendered all the previous day's gains and a little more. Sep. 24 Oct. 4 Oct. 5 Oct. 15 session's trade was effected within the first hour or so and the later sharp rally in sterling place from 9.30 am two business days serier. Shorter-dated stocks recovery. fluctuated narrowly either way

in a light business and often settled marginally harder. Reports that the London conference was near to an outline agreement on a new constitution for Zimbabwe Rhodesia intrigued the market in South African Gold shares and, with the aid of an afternoon upsurge in the bullion price. Golds regained Dealers in leading shares early losses to close generally naturally took further defensive higher on the day. Southern higher on the day. Southern Rhodesian bonds improved only

Moving in accordance with yesterday's fluctuations in sterling, rates for investment currency were up to 34 per cent initially before a later fall to 321 per cent for a loss of 3 on balance. Yesterday's SE conversion factor was 0.9054 (0.9123). analysts' estimates stimulated a little interest in GKN, which regained a small early loss and closed 5 higher on balance at 262p. Numerous company

### Guinness Peat up

ACTIVE STOCKS

Comment on the group's recovery potential in the wake of the preliminary results helped Guinness Peat feature banks with a rise of 6 to 103p. Still reflecting the disappointing interim figures, Corinthian lost 3 to 32p, while Hill Samuel Warrants remained friendless at 60p. down 8. Discounts traded lower and closed with falls ranging to Nervous selling induced by the 12; Allen Harvey and Ross lost Bank's thoughts on interest rates that much to 345p and Unio

displayed no set trend after a inspired rise. Ward White held small business with Midland at 91p awaiting today's interimedging forward 3 to 378p but statement.

day's interim results helped second-line issues in which Hambro Life put on 4 to 135p in Insurances. Further consideration of the universal a fall of 14 to 326p. first-half figures left Legal and General 4 down at 163p, while interim profits from Sedgwick Forbes came right in line with expectations and the shares closed unaltered at 94p.

although buyers were around at the lower levels. Among the leaders. Whithread gave up 2 to 135p, while Distillers shed a like amount to 229p following the chairman's cautious remarks at the annual meeting. Regional breweries were also dull, Greenall Whitley, 166p. Vaux. 159p. and Buckleys, 49p, all closing a couple of pence lower. Elsewhere, Irish Distillers pro-Elsewhere, Irish Distillers provided a rare firm counter, gaining 3 to 90p on currency influences. Arthur Bell, on the other hand, fell 4 to 180p and Sandeman gave up 4 for a two-day fall of 9 at 76p.

Still reflecting the forecast of similerably lower profits for the

Breweries again drifted lower,

significantly lower profits for the full year. Tilbury Contracting met with fresh selling and dropped 27 for a two-day fall of 57 to 265p. The half-yearly statement left Leyland Paint 2 cheaper at 52p. Dealings in Parker Timber were temporarily suspended 240p pending an

announcement Among Chemicals, ICI fluctuated narrowly before closing a shade harder on the day at 3490. Hickson and Welch shed 5 to 196p, but the sharp increase in the interim dividend prompted an improvement of 11 to 551 in

### House of Fraser down

Quietly dull conditions prevailed in Stores. Renewed profit-taking on fading bid hopes promoted a fresh fall of 7 to 140p in House of Fraser to make a decline on the week so far of 16. Gussies "A" gave up 8 more to 380p and W. H. Smith "A" lost 5 to 165p, while Burton "A" dipped 4 to 274p. UDS softened a penny more to 89p following comment on the disappointing interim results. Elsewhere, James Walker declined 7 to 113p and the N/V 6 more to 104p on further consideration of the interim figures. Shoes made an irregular show-

ing with Footwear Industry In-

"A," 37p, reacted 6 apiece on lower annual profits. Dealings in Clifford and Snell were temporarily suspended at 35p at the request of the company pending an announcement. Leading an announcement. Leading issues were inclined easier, with

ness in Decca issues, the ordi-

nary falling 10 more to 300p. with the "A" 4 down at 268p. United fell 9 to 208p and

Farnell 8 to 256p, while losses of 6 were recorded in MK Elec-

Sound Diffusion, 130p. Tele-fusion ordinary, 38p, and the

tric, 229p, Muirhead, 258p, and rose 4 to 82p followin Sound Diffusion, 130p. Tele North Sea oil interest.

The Engineering sector continued to reflect worries about the national dispute in the industry. GKN, however, up 5 at 262p, after 254p, on interim results well above recent market estimates, provided a little relief from the gloomy surroundings. By way of contrast Stone-Piatt dropped to 53p and closed 14 down on balance at 54p on the reduced interim dividend and sharp fall in profits, while poor half-yearly figures prompted a reaction of 12 to 110p in Wadkin. Hall Engineering encountered selling and gave up 6 to 138p, while falls of 5 were marked against British Aluminium, 200p, ML Holdings, 178p, and WGI, 100p. The rather gloomy state-ment which accompanied the interim results left Delta Metal 3 cheaper at 68 p, while comment on the half-yearly figures

In Foods, Rowntree Mackintosh eased 2 to 174p following Wednesunsettling half-timer. William Morrison receded 3 to 160p in front of Thursday's interim, while the withdrawal of speculative support left Avana 4 off at 109p and Louis G. Edwards, 2 lower at 35p.

left a reaction of 5 to 123p in

### Amal. Metal lower

The Bank of England's gloomy quarterly review and deteriorating engineers' dispute combined to promote renewed duliness in the miscellaneous inclosed 8 down at 300p and Boots cheapened 5 to 182p. Glaxo showed late resilience, however, rallying from 458p to close a net 2 higher on balance at 462p. Elsewhere, trading statements provided the interest among secondary issues. Amalgamated Metal were marked 25 lower to 270p in reaction to the sharp contraction in first-half profits and the reduced interim dividend, while Thomas Marshall (Loxley) gave up 3 to a 1979 low of 29p, following poor interim Uninspiring half-yearly figures

and inflation unsettled longer-relinquished 8 to 360p, while to 68p. Style gave up 5 to 215p prompted 2 fall of 4 to 60p in prices were marked down and dated British Funds which Gerrard and National finished 6 and Headlam Sims and Coggins, surrendered all the previous off at 258p. The major clearers at 58p, lost 3 of the recent Pressing the chairman's profits warning at the AGM. Airfix Industries the bullion price and the im-fell 3 further to 37p, while Rock-proved outlook to the current. ware gave up 4 to 91p following news of redundancies at a sub-

Motor sectors displayed an

easier bias after a quiet session.

Rolls-Royce, still unsettled by the

recent interim results, shed 2 to

66p, while continuing concern

over the persistent disruptions in

over the persistent distributions in the engineering industry left Components dull again. Dowty slipped 5 for a two-day fall of 8 at 305p, while Lucas dipped a

couple of pence to 2330 on thoughts that the coming annual

results could well prove dis-appointing. Dunlop provided an exception to the easier trend in

finishing a penny up at 56p, after

54p; the interim statement is

expected next Thursday.
With the exception of Liverpool

Daily Post, 3 up at 128p following the interim statement. News-

papers tended easier with Inter-national Thomson shedding 4 to

336p in front of today's mid-term statement. A. and C. Black eased

14Sp on the interim profits down

Fresh selling in a market lack-

ing support made for renewed

duliness in the Oil sector. British Petroleum weakened 20 to 1155p,

while Shell drifted off 4 more to 334p. Outside the leaders, Oil Exploration reacted to 372p fol-

lowing the interim results before

closing unaltered at 384p. Against

the trend, Gulf Stream Resources

closed 30 higher at 230p on speculative demand accom-

panied by rumours of a gas find

results, Carpets International dipped 2 more to a 1979 low of

49p, while Sirdar, 116p, gave up

easier for choice, Rothmans fall-

ing 2 to 56p following publicity given to the annual meeting.

Tobaccos closed narrowly

3 of Wednesday's gain of 7.

Golds rally well

in the Middle East.

Oils react afresh

sidiary. ICL remained on offer at 465p, down 8, while United Carriers lost a like amount to 138p and falls of around 6 were recorded in Smiths Industries, closing level of \$385.50. 174p. Thermal Syndicate, 116p, and Extel, 180p. By way of con-

tered an 0.7 gain at 211.3 but trast, Heusher Furniture A put the ex-premium index fell 0.8 on 3½ to 62p on speculative buy-ing and National Carbonising rose 4 to 82p following revived

outstanding with gains of around a half-point apiece at £18% and £17% respectively. In the medium priced issues Doornfontein fell sharply to 344p

at one point on further consideration of the chairman's forecast of no dividend increase in the immediate future, but later rallied to close barely changed on balance at 362p. Libanon were

agreement on a new constitution for Rhodesdia encouraged strong buying of Rhodesians.

Selection Trust held steady at 540p following the interim results while in Tins Geever added 5 more to 145p in response to new: that Hampton Areas and Union Corporation have increased their respective holdings in Geever to 14.34 per cent and 17.16 per

## RISES AND FALLS

———			
	Pp	Down,	Same
British Funds	17	<b>57</b> .	12
Corpns., Dom. and Foreign Bonds Industrials	9	_1	55
Industrials Financial and Prop.	105 33	552 219	752 255
Oils	8	18	. 13 . 20
Mines	46	43	7. 56 . 60
Others	4/	31	95

James Fisher moved against the trend in the Shipping sector with a rise of 13 to 230p following renewed demand in a restricted A nervous market since last week's disappointing interim

Gold Mines(Ex-\$ pm Ord. Div. Yield ..... Earnings, Yld. 2 (full) PIE Ratio (net) (\*). .. Total bargains ..... Equity turnover £m Equity bargains total Rhodesia talks at Lancaster

The bullion price surged ahead in the afternoon reflecting a sharp decline in the dollar, to close \$13.50 up at a record

The Gold Mines index regis-

Among heavyweights Harte-best and Free State Geduld were

also weak with the shares finally
14 off at 676p.

News that the British and
Rhodesian Government delegations were very close to

Falcon Mines, additionally boosted by the record bullion price, advanced 20 to a 1979 high ings ings tion ment Sep. 17 Sep. 28 Dec. 20 Jan. 7 380p, Mangula rose 8 to 108p. Globe and Phoenix put on 6 to 76p, Wankie Colliery 5 to 62p and Rhodesian Corporation 4 to 31p.

2 for a two-day fall of 10 at South African Financials were featured by Anglo American which climbed sharply in the With the exception of Stock Conversion, up 4 to 372p on bid after-hours trade on American hopes, Properties drifted a shade lower on lack of support. Percy Bilton relinquished 4 to 228p; buying to close 16 higher at 436p Record platinum prices prompted a 9 gain in Impala, 199p. the interim results are due on

## YESTERDAY :

	Pp	Down	Sama
British Funds	17	57	. 12
Corpns., Dom. and Foreign Bonds	9 105 33 8 1 46 47	1 552 219 18 7 43 31	55 752 255 13 20 56 69
	-	600	- 252

NDUSTRIALS (15

Black (A. 4 C.) TEXTILES (5 Carpets Inti. Corsh Foster (J.).

### "Market conditions remain competitive" extremelv

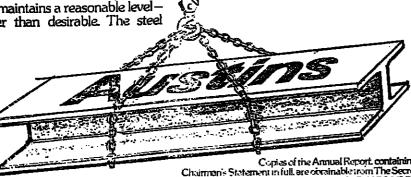
In his annual statement to shareholders. Mr. E. G. T. Firth. Chairman, reports an increase of 47% in pre-tax profits, recommends a dividend of /p per snare compared with 5.92p and proposes a one-for-two scrip issue.

The Steel Division

achieved a substantial increase in turnover home and export sales playing their part in arriving at this result. Profit margins have been maintained on this higher turnover despite the reduced influence of stock appreciation during the past year. The relative strength of sterling affects the export market, and the present increasing value is presenting some difficulty but, currently, the level of sales is satisfactory. Home demand maintains a reasonable levelbut lower than desirable. The steel

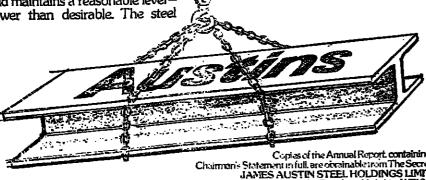
producers have recently increased their prices, and the higher market rates will make the holding of the Division's present profit margins much more difficult during the current year. Efforts to improve our share of this very competitive market will

has experienced an appreciable increase in output and a small contribution has been made during the year under review. Persistent efforts are being made to reduce costs and increase the ability to compete at prices which can furnish an adequate return. Market conditions remain extremely competitive and appear unlikely to generate any increase in demand.



continue unabated

The Engineering Division



# men's Stefement in full, are obtainable from The Secretary JAMES AUSTIN STEEL HOLDINGS LIMITED Thombill Stechaorks, Devisburg Yorkshire WF12 9EH

## PLANS FOR FUTURE PROGRESS

Mr. H. L. Preedy, OBE, JP, reports:—

Profits for the year ended 31st March, 1979, £1.166m (£1.211m). This shortfall is due to increased overheads and pressure on marginsparticularly the result of the tobacco price cutting war. Total dividend

The acquisition of Midland Educational Company with 23 outlets and other interests fits in well with our diversification plans. It will be a tremendous asset to future progress.

During the year 12 additional outlets have been opened or acquired and we plan a further 12 units in the current trading year. We now have a range of activities which I am confident provides the basis

for a strong and profitable future.

### ALFRED PREEDY & SONS LIMITED

Wholesaling and retailing of tobacco, confectionery and fancy goods, retail booksellers, newsagents and stationers, toys, records, china and glass through the Group's 197 retail branches from Newcastle to Surrey.

### After an uncertain start when IONDON TRADED OPTIONS

Cons. Gold 260 3 - 9 10 86p Courtaulds 90 21g - 5 5 9 - 86p			DOIL			, v.	. ,,,		
Option         price         offer         Vol.         offer         Vol.         offer         Vol.         close           Com. Union         140         6         —         13         —         20         5         140p           Cons. Gold         260         3         —         9         10         —         —         240p           Cons. Gold         260         3         —         9         10         —         —         26p         —         24p         —         26p         —         24p         —         36p         —         —         —         29p         —         10p         —         21         —         —         —		} !	۱ ۹	ct.	إل إ	m.	; Ap	rii	i
Cons. Gold 240 9 3 20 — 26 — 240p Cons. Gold 250 3 — 9 10 — 26 — 86p Cons. Gold 250 3 — 9 10 — — 86p Grand Met. 130 — — — 5 5 9 — 86p Grand Met. 130 19 5 35 — 46 — 348p ICI Signary S	Option				Closing offer	Vol.	Closing	Vol.	
November   February   May   Shell   Stock	Cons. Gold Cons. Gold Courtaulds Grand Met. ICI ICI ICI Land Secs. Marks & Sp. Marks & Sp.	240 260 90 130 330 360 390 390 100 120	21g 	5 12 16 2	9 5 15 15 11 10 21 <sub>0</sub>	10 5 - 18 20	26 9 32 45 23 11 21	2 -	840p 86p 147p 348p " 299p 100p
Boots   180   10   16   19   -   27   -   184p   Boots   200   3   -   9   -   15   4   7   86p   Boots   220   112   -   312   1   -   15   10   89p   EMI   100   3   -   7   -   10   1   10   10   10   10   10	Shell		-	42	12	57	=   1 M	7	
	Boots Boots EMI EMI Imperial Gp	200 220 90 100	10 3 11 <sub>2</sub>	16 -	19 9 . 34 11 7 6	1	27 15 15 10	10	89p

### RECENT ISSUES

					EQUITIES						
Issue Price pt	Amount Pald Up	Latest Renuno. Date		79 Low	Stock	Closing Price pt	+ or	DIV. P. or Amount	Times	Gross	Ratio.
44 160 44 44	F.P. F.P. F.P. F.P.	5/9 10/8	75 90 193 57 59 202	60 80 182 26 30 168	Arrow Chemicals Barlow Hidgs Mercantile House Mettoy Dfd. St. George Assets10p Seltrust A. 5oc	72 87 182 31 37 202	<u>_ī</u>	68.0 72.6 10.72 ~ bd1.6	1.1 2.5	4.5 8.4	15.5 80.3 7.5 — 24.0
		_		-	MTEDEST (	eTA	CK	<b>.</b>			

### FIXED INTEREST STOCKS

1 2944 1

16

17

Price	Amur	Lates Renun Date	High	79 Low	Stock	Price	+ 07
491 9961 <sub>2</sub> 49 49 49 49 49 49 49 49 100p	F.P. £10 £10 F.P. F.P.	29/11 29/11 —	12 121 <sub>4</sub> 731 <sub>2</sub> 901 <sub>2</sub> 99	101p 1134 834 6942 86 93	Aurora 84 Conv. Cum. Pref	84 104p 1134 1134 89122 89121 9621 98	_1 <sub>2</sub>
				-10	UTC!! OFFEDS		

### "RIGHTS" OFFERS

Price   Ed   O   T   High   Low   Stock   O   D	lssue	e en	Latest Renunc.	19	79	Stock	Closing priose	H or
110   F.P.   249-19/10   130   120   130   120   130   120   130   120   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130   130		A P		High	Low	CIOCK	<u> </u>	
	110 AS2 20 125 R1.80 93 8M1.3 50 110 115 40 AS3 45 145	F.P. Nil F.P. Nil F.P. F.P. Nil F.P.	4919/10 28/9 19/10 28/9 19/10 21/9/12/10 2/16/15/11 5/9 26/9 14/9/12/10 38/9/26/10	150 64pm 12pm 151 5pm 7pm 151 <sub>2</sub> 43 139 147 10pm 198pm 102pm 224	120 57pm 8pm 142 1pm 44pm 1512 36 120 1804 180m 76pm 193	Bank Leumi Bank of New South Wales Benlox. Estates Property inv F.U.G.I.T Hepworth Ceramics. 11Kulim Lennons Letraset Macarthys Pharm. Notton Peko-Walisend Seitrust	120 57pm 8pm 151 5pm 42pm 161 <sub>2</sub> 40pm 132 146 8pm 188pm 188pm 102pm	72 -1 +1 -17 -17

# FT-ACTUARIES SHARE INDICES

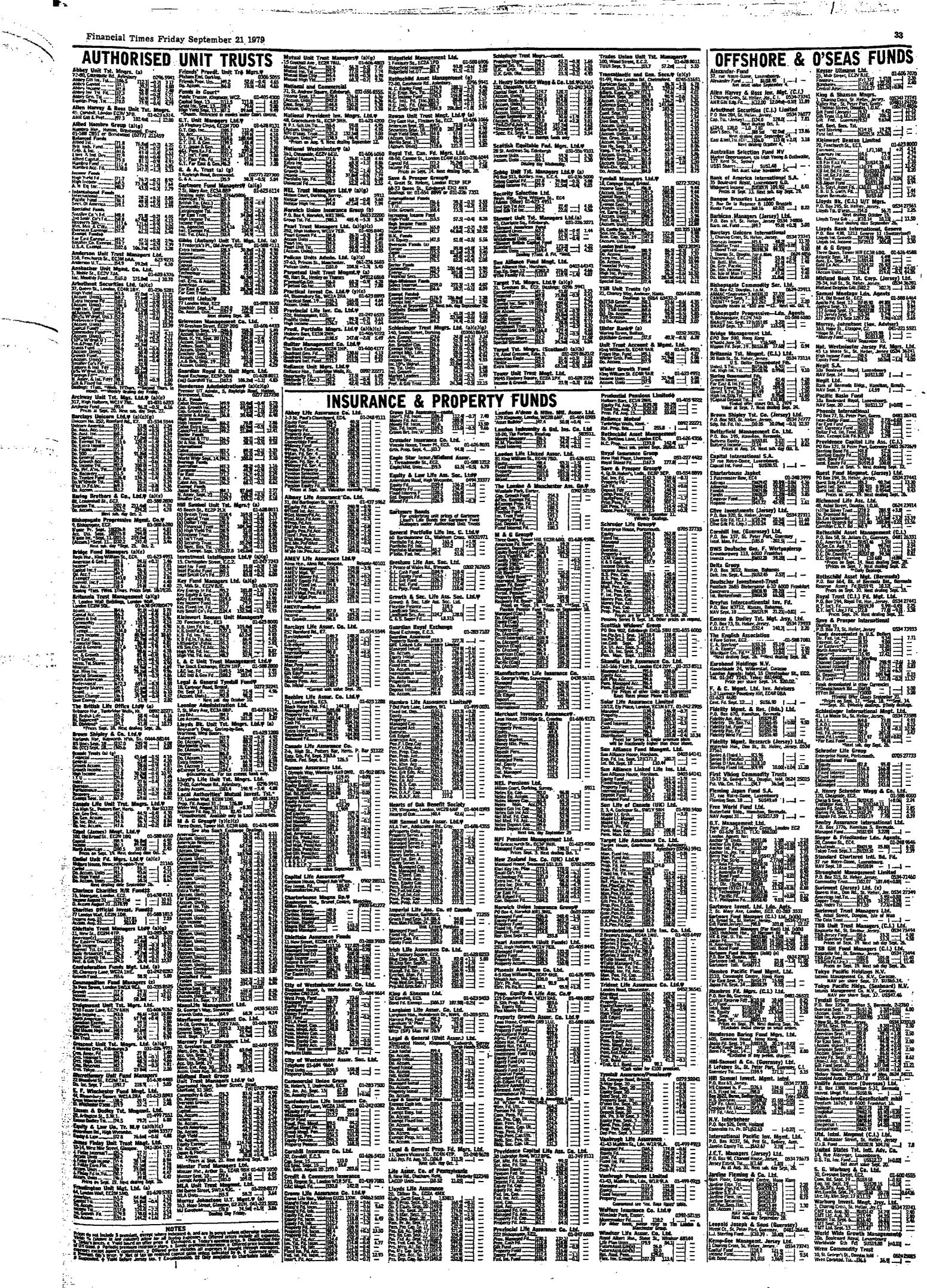
These indices are the joint compilation of the Financial Times, the Institute of Actuaries and the Faculty of Actuaries

- 1													
n	EQUITY GROUPS			Thur., Sept. 20, 1979					Wed., Tues, Sept. Sept. 19 18		Mon., Sept.	Fri., Sept. 14	Year ago (approx.)
	Figu	& SUB-SECTIONS res in parentheses show no stocks per section	ŧ	iex o. (	Day's Change %	Est. Earnings Yield % (Max.)	Gross Div. Yield % (ACT at 30%)	Est. P/E Ratio (Net)	ladex No.	index No.	iniex No.	index No.	judez No,
	11	CAPITAL GOODS (172)	237	.03	-12	18.14	6.07	7.07	240.02	243.04	242.45	243.85	254.63
Ш	2	Building Materials (27)	230	.03	-1:7	17.57	5.95	7.38	233.98	234.03 386.44	234.01 389.07	234.68 391.26	221.77 416.93
н	. 3	Contracting, Construction (2)			-1.2	24.28	5.90	5.14 9.96	363.22 612.13	522.47	619.79	622.82	573.58
11	4	Electricals (15)	605 ) 325		-11 -13	13.43 21.98	3.83 7.42	5.50	330.14	334.34	335.97	337.80	38145
11	5	Engineering Contractors (12)	161	43	-15 -15	20.77	7.25	6.12	163.82	166.32	165.32	167,18	202,83
Ш	6 8	Mechanical Engineering (74) Metals and Metal Forming(1)			-03	28.03	9.60	6.20	156.71	159.74	159.89	159.45	131,30
н	°	CONSUMER GOODS	.,			]	1	1.		l	ا ـــــ ا		
Ш	11	(DURABLE) (52)		31	-13	15.93	5.01	7.87	233.38	235.90	234.77	235,77 337,06	222.28 271.62
	12	LL Electronics, Radio, TV (1	6) 329		-15	12.33	3.75	10.47	334.15 143.55	337.88 144.06	335.87 143.99	144.57	181.47
Н	13	Household Goods (13)	142		-1.0	20.00 24.57	7.68 7.74	6.14 4.93	109.26	110.53	114.23	116.92	13434
·	14	Motors and Distributors (23)	108	125	-0.9	24.57	7.54	7.35	103.40				. · · ·
П	21	CONSUMER GOODS (NON-DURABLE) (171)	232	42	-12	17.06	6.14	7.32	235.19	238.32	237.11	237.93	Z22.53
	22	Breweries (14)			-0.9	16.04	5.40	7.43	285.62	289.44	287.93	289.37	236.35
	23	Wines and Spirits (6)		37	<b>-1.0</b>	16.98	5.57	7.32	326.34	332.21	331.83	331.91	293.74 278.95
	24	Entertainment, Catering (17)			-1.3	16.17	6.64	8.11	310.34	314.61 210.17	388.49 208.68	330.38 208.53	217.79
ı	25	Food Manufacturing (19)			-0.9 -1.1	19:31 13.52	6,64 4,25	6.43 8.91	207.59 384.36	305.82	305.02	306.47	Z3525
-3	26	Food Retailing (15)			ᇳ	22.86	6.96	6.03	423.82	428.96	426.94	428.11	407.69
-	32 33	Packaging and Paper (15)			-0.9	22.54	8.55	5.72	132,14	133.63	132.53	131.67	151,67
	34	Stores (41)	229		-1.7	12.89	4.55	10.16	233.43	237,27	236.27	238.29	Z18.51
_	35	Textiles(23)	153	L62 ]	-1.0	24.21	10.14	5.21	153.14	153.92	155.04	·355.49 244.97	1M.00 252.22
	36	Tobaccos (3)	240		-0.8	23.67	9.24	4.77 4.98	242.70 .69.89	246.02 71.43	245.99 71.23	70.55	12337
	37	Toys and Games (6) OTHER GROUPS (99)			-3.0 -0.5	25.50 15.77	631	7.79	203.82	286.02	205.33	206.47	217.86
-	41 42	Chemicals (18)		1.38		17.92	6.79	6.51	284.32	287.53	287.35	288.59	303.68
	43	Pharmaceutical Products (7)		750		11,93	5.08	10.37	227.59	230.66	228.13	229.62	287.15
Ratio	44	Office Equipment (6)		133 `	-0.9	16.91	7.11	7.39	119.22	128.30	120.86	122 31	346.05 448.49
	45	Shipping (10)	450	0.89	-0.9	11.76	6.65	10.85	455.18 241.43	460.57 243.64	461.25 242.61	463.09° 243.95	252.63
_	46	Miscellaneous (58) INDUSTRIAL GROUP(494)	Z3	8.82	-1.1 -10	16.31	6.08	7.85	235.91	238.83	237.87	232.95	234.72
3.5 ).3	49			3.44	<del>-10</del> -14	18.03	7.72		636.63	642.87		636.76	
5	<u>到</u>	Oifs(6)		7.49 5.42	<del>-11</del>	17.11	6.36		-268.42	271.62	270.59	271.30	260 30
- F-O	61	FINANCIAL GROUP(116).	20.		-0.4		5.53	+ ==	193.25	195.35			174.00
-	62	Banks(6) :	223	3.09	. <del></del>	37.06	5.74	3.45	223.07	225.38	222.68	224.92	194.32
_	63	Discount Houses (10)	257	2.60	-1.7	: <u>-</u> _	7.27	\ <del></del> -	256.90	257.98	257.98	257.99	211.06
	64	Hire Purchase (5)		0.75	-03	19.37	5.10 6.33	6.62	171.32 161.10	171.95 163.96	172.53 162.10	172.12	143.26
-	65 66	Insurance (Life) (10):		0.68   5.63	-0.3 -0.5	1	7.54	1 =	126.19	128.31		128.28	130.59
OT .	67	Insurance Brokers (10)	27	731	-0.8	18.05		7.92	279.45	285.02	283.94	282,69	
-	68	Merchant Banks (14)	10	1.19	+0.1	1 —	5.55	i	101.11	101.23			
_	69	Property(43)		0.47	-0.8	3.44		42.38	363.23	365.14			268.78 114.35
	70	Miscellaneous (10)	12	3.24	-0.8	15.10	7.27 5.36	8.49	124.27 215.30	124.86 216.96			
	71	Investment Trusts(110)	21	3.67	-0.8 -0.3	15.61		7.85	127.93	131.39			
	81	Mining Finance (4) Overseas Traders (20)	24	7.58 3.37	-0.5 -0.6	15.26	7.39	8.01	345.33	344.03	342.89	342.77	930.56
8	34	ALL-SHARE INDEX(750)	2/	5 13	-0.9	<del>  _</del>	6.18	<del> </del>	247.47	250 30	249.19	249.90	277
		1 722-014-110-41-50)		<del></del>		<u> </u>	!	<u> </u>	1				
			•				· F	YFD IN	TEREST	· }	_		Year
	Plyps Harmon		T DRIGE IN	Vince		. 1	•	YIEL		. !	Thur.,	Wed	250
	Ì	FIXED INTERES	PRICE INC	كقبارر		- 4	Britis		v. Gross R	ed.	Sept. 20	. 19	Capping
_	l					<u> </u>							
_	_	Thus		<b>z</b> z		d adj.	1 Low		5 years.		10.24	10.22	2.55
or		British Government   Sep		1002	_	1979	2 Coupe	115	15 years.		10.78	-10.74	18.84
•	ļ	20		i		date	3	<del></del>	25 years.	eis-lessen	11.32	11.27	
<b>-</b>		10.0	<del></del>	<del>-</del> -		<del>,,,</del>	4 Media		5 years.		1232	1233 -	11.66
	1	Under 5 years	.03   + <b>0</b> .08	-	1	6,66	5 Coupe	irš	15 years.		1241	12.37	」 12.04 12.65
***	۰ ـ	1 I	ɪ ɹ		•	1	a i		25 wass.	1	1240	12.48	تاليكل ا

81 91 99	Mining Finance (4) Overseas Traders (20) ALL-SHARE INDEX(		34	3.37 -	0.3   15.6 0.6   15.2 0.9   —		6.10 7.39 6.18	7.85 8.01	127.95 345.33 247.47	344.0 250.3		342.77	339.86 257.76
_	FIXED INT	FIXED INTEREST YIELDS British Govt. Av. Gross Red.					Thur. Sept. 20	Wed Sapt. 19	Veit 290 Capprot.				
	British Government	Thur, Sept. 20	Day's change	zzi adi. today	xd adj. 1979 to date	1 2 3	Coupen	5	5 years 15 years 25 years		10.24 10.78 11.32	10.22 10.74 11.27	18.84 18.84 21.67
 I 2	Under 5 years	305.03 136.15	+6.08	-	6.66 7.86	4 5 6	Medium Coupon	1 5	5 years		12.32 12.41 12.49	12.33 12.37 12.48	11.66 12.04 12.65
3	Over 15 years	122.02 133.15	-8.39 -8.51	_	9.65	7 8 9	High Coupon	5	5 years		12.71 12.87 12.74	12.69 12.81 12.68	11.58 12.57 12.75
<u> </u>	All stacks	113.73	-0,22		8.03	10	Irredee	ntables			nn	11,64	11.48
										-			

-		Sept. 20 Yield 2	Wed. Sept. 19	Tues. Sept. 18	Mon. Sept. 17	Fri. Sept. 14	Thurs. Sept. 18	Wed. Sept. 12	Sopt	Year ago (approx)
20-yr. Red. Deb & Loans (15) Investment Trust Prefs. (15) Coml. and Indl. Prefs. (20)	51,23	13,09	51,28	51,23	51,25	51.46	51,47	51,72	51,50	51,95

مكذا سا الدار



Hall, New Town Hall, Kensington, London, 7.30pm. Admission free

Richard Adam's nation-wide Seals Tour starts Monday 1st October, Great

# FINANCIALTIMES

Friday September 21 1979

# Soviet arms boost for Egypt

BY ROGER MATTHEWS IN CAIRO

what appears to be a sharp which was most vigorously sup- about 120 are flying.

In the past two months the Soviets are understood to have provided about 50 engines for President Sadat and his air fighters, 40 engines for the concerned at declining morale its Shenyang F-6 fighters, which Soviet-built M18 helicopters, especially in the air force, over are essentially Peking's version

Relations between Egypt and the Soviet Union reached an alltime low last year with President Anwar Sadat accusing Moscow of trying to sabotage the Camp David peace agreement and then announcing a 10-year halt to the repayment of an estimated \$4bn (£1.86bn) owed to Russia mainly for military supplies.

Soviet refusal to provide any spares for the armed forces. The armed forces. The armed forces. The Arab organisation has been important foothold in one of the principal Middle Eastern drawal from the Arab Organisation which, with mainly British and U.S. with mainly British and U.S. with mainly British and U.S. where he has been trying to fan estimated \$4bn (£1.86bn) owed to Russia mainly for military supplies.

The Soviet refusal to provide any spares for the armed forces. The armed forces.

The Arab Organisation which, with a small but important foothold in one of the principal Middle Eastern states.

Vice-President Hosny Mubarak, a former air force commander, returned yesterday from the helicopters, anti-tank missiles of an estimated \$4bn (£1.86bn) owed to Russia mainly for military supplies.

The Soviet refusal to provide any spares for the armed forces.

The Arab Organisation which, with mainly British and U.S. with mainly British and U.S. where he has been trying to persuade the administration to substantially increase the the organisation would completely renovate the 20 OMiG-

passes new

safety check

type fast reactor power station at Dounreay in Scotland, Sir John Hill, chairman of the UK

Atomic Energy Authority, said.

Sir John described how pumps circulating the liquid sodium coolant through the reactor

were being deliberately switched off, to stimulate the kind of

"loss-of-coolant" accident which occurred in the U.S. earlier this

But the sodium-cooled fast

reactor was proving resistant to

any disturbance in its perform-

"We have now demonstrated that, even with the pumps switched off, natural circulation

from the sodium will remove

the shutdown heat from the core

without the fuel element tem-

perature rising appreciably

above normal operating temper-

The experiments in self-cool-

an important part of the safety

case for a project of five times

come before a public inquiry in

AEA report, Page 6;

Fast reactor technology

comes of age, Page 18

Weather

UK TODAY

SUNNY intervals, showers,

London, S.E., Central.

S. England, East Anglia,

Midlands

Mainly dry, bright, sunny periods. Max. 16C (61F).

E., N.W., Central N.,

N.E. England, Lakes, Isle of Man, N. Wales, Borders,

Edinburgh and Dundee

Scattered showers, bright intervals. Max. 14C (57F).

S.W. England, S. Wales,

Channel Is

Max 15C (59F).

Aberdeen, Moray Firth,

N.E. Scotland, Orkney and

periods. Max. 12C (54F).

Rest of Scotland, N. Ireland

Sunny intervals, scattered showers, becoming cloudy. Max.

Outlook: Changeable, windy.

WORLDWIDE

57 Nicosia 73 Oporto

57 Rhodes
72 Rea J'a
52 Rome
79 Salzbrg.
79 Singapr.
62 Stekhm.
64 Strasby.
79 Sydney
54 Tangier

onerii Cokyo

Cloudy, scattered showers.

Shetland |

showers.

rather cold.

Squally

Barcina. Beirut Beifast Beigrd. Berlin Bierritz

ance, said Sir John.

actors is enhanced."

**UK** reactor

in its Middle East ported by the Russian's In his anxiety President Sadat principal Arab friends—Syria, turned initially to the Ameri-

Egypt's ageing fleet of MiG-21 force commanders are deeply China has delivered about 40 of and a still unknown number of the rundown in equipment of the MiG-19. Another 50 army lorries and replacement caused largely by the previous Shenyangs are understood to be soviet refusal to provide any on the way to Egypt, providing

BRITISH

EXPERIMENTS in nuclear officers are pressing for the lary is common in Northern reactor safety, of a kind not carried out elsewhere, are being performed on Britain's proto- Government is not likely to The officers want the appoint-

accept their demands at this

The officers say security has

deteriorated in recent months and an increasing number of

soldiers have been killed. They

would like the Army to carry

out some of the functions now

The officers believe that if

undertaken by the police.

BY MALCOLM RUTHERFORD, POLITICAL EDITOR

THE Soviet Union has resumed also appears to fly in the face 21s that are the backbone of the military supplies to Egypt in of the Arab boycott of Egypt air force and of which only

to the Chinese. So far this year

Army call for Ulster chief

The officers want the appoint-

ment of a security chief because they feel there is insufficient

liaison between the police, the

Army and the civil power. They also feel that decisions are

The officers are not neces-

sarily seeking a military appointment. But, unlike the Secretary

of State for Northern Ireland,

Mr. Humphrey Atkins, the

attacking Catholics in a "back- Secretary of State, appears to border security co-operation ash." be cool about the idea, even and to making the Irish police Friction between the Army though the officers believe they more efficient.

taken too slowly.

security is not brought back the security chief would stay

under control soon, there is a permanently in Ulster.
danger of militant Protestants
attacking Catholics in a "backSecretary of State, app

According to some military officials Egypt is seeking a total In his anxiety President Sadat Package worth more than \$4bn. .It might include a U.S. commitcans but, perhaps more signifiment to take over the work of cantly for the Soviet Union, also Westland and Rolls-Royce should the two British companies decide to pull out of the AOI, which has been re-named the Egyptian Organisation for Industrialisation.

> Westland and Rolls-Royce are participating in the construction of about 230 Lynx helicopters in a deal thought to be worth as much as £400m. With that deal now in jeopardy, together per-haps with the substantial AOI contract that would have been awarded for the complete over-haul of the MiG-21s and Mi8 helicopters, the Russian action in providing new equipment becomes increasingly important.

sympathy.

Mr. Atkins is strongly reluc-

tant to re-introduce internment,

people and that such action could stir up Catholic anger. No measures to tighten

security are likely to be an-

nounced until the meeting between Mr. Atkins and Mr.

Michael O'Kennedy, the Irish

Foreign Minister, probably early next month. They are

then expected to be confined

mainly to improving cross

# Cost of engineers' claim 'up

By Alan Pike, Labour Correspondent

engineering ployers Federation yesterday raised its estimate of the cost of meeting the claim which has led to the national engineering dispute. It said the claim would increase direct labour costs by about 50 per cent.

The federation admitted that was "substantially more" than its previous estimates. The calculation was made when its com-mercial and economic committee met to assess the economic consequences of the dispute. It takes account of such factors as the pressure which the new national rates being sought by the unions would have on increasing incentive payments at plant level

The federation said that exports worth some £120m per Army and the Royal Ulster Constabu- may have Mrs. Thatcher's week were being lost or delayed as a result of the industrial action. There were indications as some of the security forces have suggested, on the grounds that member companies' capital expenditure was being extenthat it would be impossible to sively cut. be sure of interning the right

## **Lloyd's** plan for syndicates

BY JOHN MOORE

LLOYD'S OF LONDON has formed a special company to provide emergency management service for underwriting agencies whose syndicates run into difficulties.

The first beneficiary of the new service as Ashby and Company, a Lloyd's managing agent which in August called a halt to trading by five of the underwriting syndicates under its management.

The Lloyd's company—Additional Underwriting Agencies-has been formed by Lloyd's ruling committee in the last fortnight. Its creation has been prompted by the problems which have surrounded the troubled Sassee syndicate, which is facing £20.2m of losses. Lloyd's usual informal

arrangements for dealing with troubled management agency companies, which look after syndicates at Lloyd's, have been severely tested by recent events in the Sasse syndicate.

When the Sasse syndicate ran into trouble, Merrett Dixey Syndicates was asked by Lloyd's to take over the management of the members' affairs from Sasse Turnbull. But Merrett Dixey has recently resigned after litigation started between members of the syndicate and the Lloyd's committee.

The move by Lloyd's marks the establishment of a more formal structure and it may be that the Sasse Turnbull managing company together with the Sasse syndicates will be taken over by the new company

The directors of Additional Underwriting Agencies are Mr. Eric Bruce, of Cunliffe Fraser, Bruce and Company, an under-writing agency: Mr. Peter Daniels of Lambert Brothers (Underwriting Agencies) Mr. James Bazell of Matthews Wrightson Pulbrook and Mr. Ted Merrett, a senior staff member of the corporation of Lloyd's, who is on secondment

to the company.

The £15,000 capital for the new company will be provided by Lloyd's community funds and expenses met by the agencies which it acts for.

Ashby and Company called a halt to trading on five of its syndicates in August when it realised that one syndicate, number 751, may have breached its premium limits. Premium limits at Lloyd's are strictly related producer now has 44.4 per cent, to the amount of capital that backs each underwriting syndicate.

Lloyd's investigations into the Ashby affair have centred on the business relationship of the syndicate with Furness Houlder (Insurance), the Lloyd's insurance broker; Commodore Reinsurance (Management); Commodore General Insurance Company of Hong Kong; and Harlock and Galli, an Australian subsidiary of Alexander Howden Group, the insurance concern with large Lloyd's interests.

Meetings were held throughout yesterday at Lloyd's between legal representatives of over 30 members of the Sasse syndicate and Lloyd's of London in an attempt to resolve their legal dispute out of court.

There were suggestions last night that Lloyd's may provide further bridging finance for the syndicate to help members through the annual audit, while the dispute is dealt with through internal arbitration before a

# Strikes put the brake on GKN

CKN has done surprisingly well in the half year to June, with pre-tax profits up from £42m to £53.5m. But the engineering strike is now hurting badly, and an unchanged gross dividend payment is an indication of the group's con-

Automotive components have played a big part in the rise so far, and account for half the prerar, and account for han the preinterest profits total. For all he
problems of the UK motor
industry, GKN has apparently
done better in all its component operations. But the main impetus has come from Uni-Cardan in Germany, which has pushed profits in Continental Europe up by a third despite the rise in sterling. Sales of constant velocity joints are going especially well as a result of the worldwide swing to front-wheel drive. GKN has a very strong position in this market, although the first signs of competition are emerging from Honda in Japan. Elsewhere, the group has managed to get a little more out of its new steel making

facilities in Cardiff, and profits on distribution have jumped sharply. Acquisitions have helped here, and the steel stockholding business has done a bit better. Finally, the results of reorganisation are still showing through on the general engineering side. Closure costs on the bolt and nut business could amount to £10m after tax, and

will be included in an extraordinary debit which is esti-mated at £23m for the year. But this will not have a bearing on the dividend decision, which will be related solely to the trading background. The outcome for the year as whole is now an open question, and current city esti-

mates of £90m or a bit more (against £87.3m) are not worth However, it seems possible that the original hope of only a very modest increase bank money, can flow into the to be raised, but engineering in borrowings for the year will D-Mark The most obvious can shares seem to have become the not now be fulfilled. After six didate for suppression would lepers of the stock market.

Index fell 2.2 to 458.1

THE LEX COLUMN

months, debt is about £20m higher.

It is all very frustrating for GRN, which believes that its interim figures give the first indication of what its change of direction in recent years might achieve. The yield is 10 per cent at 262p.

### Currencies

The Bundesbank may strongly deny a change in, or even the existence f, a target rate for the D-Mark against the dollar, but the psychological impact of yesterday's fall in the U.S. currency was exactly as if a target rate had been abandoned. In closing at DM 1.769 the dollar dropped for the first time since last year's dollar crisis through the level of DM 1.80 which many people had come to regard as a floor. Once the breach had occurred it was beyond any intervention to repair the damage.

The upward pressure on the D-Mark has been building up since the end of May and the latest Bundesbank report shows that DM 7bn flowed into the currency during June and July. But recently, with scepticism about the dollar still great despite mounting U.S. interest rates, and with rumours of impending re-adjustments within the European Monetary System, the pounding has become still harder. Last week German reserves grew-by about DM 4bn. as investohrs converged from all sides.

At the Bundesbank that old siege mentality is once more in evidence. The central bank has called for talks with the commercial banks to pin down all earnings. The historic yield at the ways in which foreign this price is 12.4 per cent, and the ways in which foreign this price is 12.4 per cent, and money, and particularly, central the final dividend is very likely

Schuldscheine notes) to foreign investors They do not count as securitie and are thus available to foreigners free of the normal deterrent tax of 25 per cent of the coupon.

### Delta Metal

If all had gone well, 1979 would have presented Delta Metal with a good opportunity to translate the benefits of its capital spending programme into profits. But there has been one labour problem after another: two internal strikes of a month or so each the benefits. a month or so each, the haulage strike, and now the industry wide engineering dispite.

So in the first half, when it could have made £17m given a following wind, Delta has come up with only £14.lm, against £12.9m in the first six months of 1978. Some of the group's fac-tories are still working more or less normally, but a tenth of the UK manual workforce is laid of and the strike is clearly biting The second half outcome will depend on how long the strike goes on; unless it ends to morrow, it seems unlikely that Delta will do much better than £30m, against £28.5m, for the

According to the company UK demand for its products was already beginning to decline, it began. Like its customers. Belta is trying to trim stocks but the higher copper price is forcing it into raising forcowing.

ings.

Next year, with a bite of luck, strike damage may be less severe, but the trading back ground could make at hard to push profits ahead. Yesterday the shares fell 3p to 66 p, re-flecting the dull prospects for

# UK pledge on oil output sought

BY GUY DE JONQUIERES, COMMON MARKET CORRESPONDENT, IN BRUSSELS

No other power reactor had pressure yesterday to commit the same ability to cool itself without electricity for its pumps and without the operator inter-vening, said Sir John. mum level between now and 1985, to enable other EEC "So our already great confidgovernments to fulfil pledges to ence in the safety of fast resame period.

ing, which have been proceeding for the past year, will form the meeting of EEC energy Britain, reflecting increased dicated it expected production enable other EEC countries to meeting in Paris next Wednesthe power output, 1,300 MW, which the UK AEA expects to to be at a level which would ensure that its oil imports and exports were in balance.

But some governments were itself to higher production, which would ensure that it was a net exporter of oil during the next six years.

refused so far to announce firm plans for production up to 1985, and has issued only what it insists are projections. These suggest that the UK may reach

are believed to be reluctant to itself to keeping North Sea oil allow production to rise much production above a fixed mini- above the level at which self sufficiency is achieved.

The EEC has pledged that its

annual imports up to 1985 will restrain their imports over the not exceed the 472m tonnes which its members purchased Though no final agreements from third country suppliers were reached, it emerged from last year. A cut in imports by ministers that the UK had in- North Sea production, would the Tokyo summit follow-up import more from outside the Community, while still respecting the overall limit,

But Mr. David Howell, understood still to be seeking Britain's energy minister, said to persuade the UK to commit the Government would not agree to export more oil directly to its EEC partners simply to make up their short falls. He told journalists that the production and disposal of North Sea Publicly, the Government has oil would remain under national, not EEC, control

Strong pressure was also exerted on West Germany yesterday to cut its forecast oil elf sufficiency next year. imports. It is the only one of import limits, they would be Ministers and officials are the four big European counevading their full burden of

BRITAIN came under strong depletion policy should be, but problems meeting its commitment, given at July's Tokyo summit to hold its imports to last year's level over the next six years.

Though the ministers claimed to have made progress yesterday towards agreeing on the national breakdown of the EEC import commitment it was unclear whether a final decision could be taken by the time of day. National officials were due to meet in Brussels early next week to try to resolve the remaining problems.

The U.S. may challenge in Paris the European interpretation of the pledges given at Tokyo and in particular the EEC's assertion that North Sea oil should not count in each country's contribution towards the overall community limit.

 The Carter Administration has suggested in the past that if EEC members excluded North Sea oil imports from national currently discussing what future tries which seems likely to have responsibility to conserve oil.

# Wilkinson chairman voted out

BY ANDREW FISHER

THE DIRECTORS of Wilkinson strategy and marketing in the £31,000 a year as chairman, and Match, in which Allegheny Lud-razor, pen and sunglasses sec-will now receive the non-execulum Industries of the U.S. has a position as chairman after he refused a £210,000 offer to leave the board.

The surprise ousting of Mr. Randolph, who remains a direc-tor, follows his criticisms of the company's management and policy differences over product

razor, pen and sunglasses seclarge stake, have voted Mr. He has been replaced by Sir Denys Randolph out of his Richard Powell, aged 70, who He has been replaced by Sir was deputy chairman. Richard said yesterday's unanimous board decision Richard

followed "general stresses and strains which reached a pitch that other directors felt couldn't continue."
Mr. Randolph was paid

Continued from Page 1

### Dollar falls sharply sought to maintain previous volatility in exchange rate move-

margins. Sterling was on the sidelines months."

up at \$2,1610. 68.2 to 68.1.

Monetary Affairs, said in Washpected to remain basically stable discussion topics at a meeting in the months ahead in spite of in Hamburg next Saturday berecent volatility of the tween Chancelior Helmut Schmidt, Mr. William Miller,

before the rate closed 11 cents

markets. He expected a narrowing of and Mr. Paul Volcker, the chairthe inflation differential between man of the Fed. It was stressed the U.S. and West Germany, and in Bonn, however, that this that this "will limit the meeting was arranged weeks

ments over the next few

yesterday though the rate was Jonathan Carr adds from very volatile in the backwash Bonn: West German monetary of the dollar's movements authorities have re-affirmed Initially the pound fell to their determination to inter-\$2.1330 though the rate quickly wene to smooth erratic exchange recovered—with the help of rate fluctuation, saying there unfounded rumours of a rise in has been no change in policy Milmum Lending Rate. Sterlin spite of the latest plunge ing's highest level was \$2.1695 of the dollar.

The dollar's latest weakness is attributed to the high infla-The pound was, however, tion rate in the U.S., which weak against some of the Con- event a record prime rate level tinental currencies-falling from cannot wholly counteract, the DM 3.871 to DM 3.78 before rising gold price which is both closing at DM 3.821. The tradecause and effect of the dollar's weighted index slipped from fall—and an apparent trend towards greater investment of the Mr. Anthony Solomon, surpluses of the oil-producing Treasury Under Secretary for countries in non-dollar assets. The currency's weakness and ington that the dollar was ex- the IMF agenda will be main

tive directors' salary of £5,000. He was offered a five-year consultancy deal two days ago if he would step down from the chair and the board. Mr. Randolph, who is aged 53. referred to "very short and

sharp' recent discussions with Sir Richard. The issue behind the vote was the refusal of the rest of the board to agree with Mr. Randolph that another executive director should be appointed.

In a statement, Mr. Randolph said he was instrumental in obtaining- an improved deal when Allegheny Ludlum tried to get control of Wilkinson in 1978. The U.S. stainless steel The chairman of Allegheny, Mr. Richard Buckley, said in

Pittsburgh that such a statement ludicrous-Iwas appailed that he would make such a press release."

Mr. Buckley said that Allegheny was not the prime mover in Mr. Randolph's dismissal, but agreed with the rest of the Wilkinson board when told the situation had become intolerable. "We were slow to realise the clash,"

The company merged with British Match in 1973. Last year, pre-tax profits advanced 33 per cent to £19m, but the group has forecast a decline in the first half of the present financial year to March 31. Mr. Randolph is no stranger

to controversy. As chairman of the Institute of Directors, a position which he relinquishes next week, he clashed over policy with Mr. Jan Hildreth, the director-general who left the organisation last December. High Court judge.

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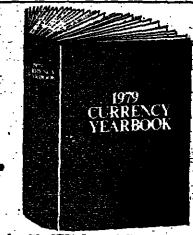
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